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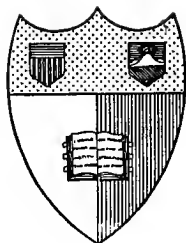
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THE PROTECTIVE TARIFF

WHAT IT DOES FOR US!

BY

HERMANN LIEB.

The tranquility of society and the security of the individual are secured by justice ; the harmony and good-will of one man toward another are cherished by equity.

CRABBE.

FOURTH AND REVISED EDITION.

CHICAGO, NEW YORK & SAN FRANCISCO.

BELFORD, CLARKE & CO.

1888.

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TO THE
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THIS VOLUME IS DEDICATED
BY
THE AUTHOR.

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PREFACE.

THIRTY years ago, upon becoming a citizen of the United States, I found public attention completely absorbed in the question of African slavery, all economic questions being entirely dismissed from the public mind.

This question, and all others relating to it, having been finally disposed of, the people are now beginning to turn their attention to the less sentimental and more practical question of taxation.

While every cause which led to the rupture between the two sections of the country has been brought to final settlement, and industry and trade long since returned to the channels of peace; while nearly two-thirds of the national debt has been extinguished, and the treasury is filled to overflowing,—the oppressive war taxes, imposed in the hour of the Nation's peril, remain undiminished. Of these taxes, those on luxuries, but little used by the poor, are the least burdensome; those upon the necessities of life, mostly paid by the poor, are the most burdensome.

The representatives of monopoly, and of a privileged class, propose to remove the former and to retain the latter.

If the student of American history will compare the grievances the early American colonists complained of against England, he will find they were not more serious and not so oppressive as those inflicted to-day upon the unsuspecting American people by a class of men "to the manor born," and while the injustice of the former reacted upon a foreign country, the latter threatens disaster to our own.

In the belief that it is the duty of every citizen of this republic to use his best efforts in trying to *take care of his country*, I have written this small book.

HERMANN LIEB.

CHICAGO, Oct. 15, 1887.

INTRODUCTION.

“The oppressiveness of a tax is not to be measured by the insensibility of the people on whose shoulders it is laid.”

PROTECTION A TAX.

SECURITY in life, property and liberty is the first requisite of every American citizen, and if there is any meaning in the word *protection* when used in connection with our governmental machinery, it must necessarily convey the idea that the security we are now enjoying is insufficient, and that we are threatened by some common danger against which the government is asked to *protect* us.

If there is any such danger threatening the people of this country, there is no question but that the government, being the general agency of the great American society, constituted for the very purpose of protecting its members from injury in person and property, is in duty bound to afford such protection.

We are all in favor of this sort of protection and are ready and willing, as an equivalent for such protection, to contribute a just and equitable share of our earnings to the government.

It is, however, the only form of protection the government can justly and legally bestow. To do more than that, to give greater protection to all, or bestow greater benefits upon all, and do it justly and equally for every citizen, is a mathematical impossibility.

The logical sequence from these incontrovertible premises is, that every proposition on the part of the law-making power to do more is a proposition to do it unequally;

to confer more than the benefits enjoyed by the mass of the people, or additional favors upon a portion or a distinct class; and as such additional favors cannot be given by the government directly, except by way of subsidy out of the United States Treasury, it must be done indirectly through the insidious way of special legislation; that is, by creating a system of unequal taxation.

If it were generally understood, if the majority of the American people were convinced of the fact, that this protective system necessarily implied unjust and unequal taxation, they would not tolerate it for an instant.

Well aware of this state of public sentiment, some of the advocates of this system evince a disposition to beg the question of taxation, and to bluntly assert "that a duty on import laid for the purpose of protection is not a tax." When it is considered that the importer who pays the tax at the custom house charges the extra amount upon the goods, and the American consumer eventually pays this extra charge, this assertion that protection is not a tax shows the implicit confidence the protectionists have in the stupendous credulity of their victims.

Of course, the laying of tariff taxes is perfectly legal and proper as long as they are laid for the purpose of raising revenue for the government. The government of Great Britain raises nearly one hundred million of dollars of her revenue from four articles, to-wit: Tobacco, wine, spirits and tea, which are in the main not produced in the kingdom, and when produced the import tax is as nearly as possible equal to the internal revenue tax paid upon similar articles by the home producer. Thus, a tax upon import does not necessarily imply a tax for protection. The moment, however, the purpose of raising revenue for the government is lost sight of, and import taxes are adjusted

and laid with the expressed or implied purpose of giving private enterprises special advantages, or protection against competition, that moment the government lends its taxing power to private concerns. It stands guard, as it were, with its army and navy, if necessary, over these special interests, and commands the consumers of the country to buy *there*, no matter what the quality and price may be, and, therefore, every dollar exacted from the consumer for home commodities, enhanced in price on account of such special protection, is a tax—a tax more unjust, more oppressive and tyrannical than an ordinary tax unequally levied, because, in the case of a tax for protection the money does not go to the government treasury but into the pockets of a preferred class.

This last point should be well kept in mind, and the people should thoroughly understand that protection can be nothing else than a tax—an indirect tax, but a tax. They all know what taxes are; they pay their taxes upon real estate and personal property direct to the collector, who hands them a receipt, containing in dollars and cents the exact amount of their tax. But everybody does not seem to know, and a great many do not care to know, what tariff taxes are, while others imagine that the money collected by the government upon imported goods is all the taxes paid in that way, and that these taxes are paid by those only who buy imported goods.

If the consumers generally understood that commodities manufactured in this country are, for the greater part, enhanced in price nearly equal to the amount of the duty paid upon similar commodities imported, or forty per cent in the average, they would not hesitate in demanding that this unjust and unequal system of taxation be either promptly reformed, or, that a revenue method

which could be perverted into an instrument for the gratification of individual rapacity be eradicated, root and branch. The assertion that protection ultimately leads to cheapness has been answered, "that it were best to begin with cheapness."

But the trouble is that everybody does not know these facts, and the deceptive word "protection" does its stupefying work.

It is this torpid state of public opinion which causes Mr. Blaine, the foremost advocate of protection in this country, in his "Twenty Years in Congress," exultingly to remark: "Mr. Hamilton was the foremost financier in this country who understood that it is *easier* to collect ten dollars by an indirect tax than to collect one dollar by direct levy."

Mr. Blaine's conclusions are correct. It *is* easier to collect money through this insidious way, but will he contend that it is easier to *pay*?

It is always easier to take surreptitiously that which is not due. The attempted collection of ten dollars direct taxes, where only one dollar is due, would probably meet with difficulty, and, as the ten dollars can be secured *easier* by an indirect way, Mr. Blaine recommends that way as the acme of financiering-statesmanship.

[It is not in a partisan sense that we now or shall hereafter mention the name of Mr. Blaine. Principles are immutable, but governmental theories originate with and are shaped by public men. The open declarations and statements of these leading men are accepted by millions of voters as their political dogma, and, therefore, their names cannot be disassociated from their policies. It will not be denied that to-day Mr. Blaine is the foremost representative of the protection theory in the United

States, and that his statements upon this theory are of a more authoritative character than those of any other living man.]

"Such a system of taxation," said Mr. Kasson, the able representative to Congress from Iowa, as early as 1866, and before he had changed his views upon that question, "is a simple system of robbery; taking from one home industry and paying it to another. If we go on in the present plan of adding to the cost of everything we produce, there is not another country on the face of the earth that will contribute one cent to enrich the people of the United States, or to buy a single article of our production. It is an attempt against the law of Providence, to force the people of this country to pay more for what they need than the laws of Providence would otherwise require."

Again the late Emory Storrs, the great Republican orator of the West, thus tersely describes this insidious tax: "Finally, what is tariff? It is a tax. It is nothing less than and nothing but a tax. It is a tax which we do not pay to the government, but to the manufacturer for his private enrichment; for where protection begins revenue ceases. The consumer is impoverished, the government is not aided. Shall this system be continued? This question we must answer. We may dodge it and evade it for a time, but the millions of men who protected the Nation in the hour of sore peril with their lives demand that this question shall be answered. I am for myself prepared to answer it. My answer is: Our soil is free, our men are free, our thought is free, our speech is free, our trade shall be free!"

As to the meaning and purport of the word tax there can be no misunderstanding. It is a burden laid by

the government for public purposes. Webster defines it as "a charge, especially a pecuniary burden, which is imposed by authority. A levy of any kind made upon the property for the support of a government."

The authority of Congress to levy taxes is defined in Section 8, Article VII, of the Constitution of the United States, as follows: "The Congress shall have power to levy and collect taxes, duties, imposts and excises; to pay the debts and provide for the common defense and general welfare of the United States."

It will not successfully be maintained that the public debt is being paid, or the common defense and general welfare of the United States promoted, by confiscating the property of one citizen under the tariff power and giving it as a bounty or gratuity to another citizen, under the pretense that it is necessary to protect him in carrying on his private business. Legal authorities and judicial decisions are uniform in their opinion that no tax can be legally levied except for public purposes.

Judge Thomas Cooley, formerly of the Supreme Court of the State of Michigan, and Professor of Law of the University of that State, in his work on "Principles of Constitutional Law," thus defines the limits of taxation under the Constitution of the United States:

"Constitutionally, a tax can have no other basis than the raising of revenue for public purposes, and whatever governmental exaction has not this basis is tyrannical and unlawful. A tax on imports, therefore, the purpose of which is not to raise revenue but to discourage and indirectly prohibit some particular import for the benefit of some home manufacturer, may well be questioned as being merely colorable and therefore not warranted by constitutional principles."

In a decision of the Supreme Court of the United States, concerning the legality of a tax levied by the city of Topeka upon the authority of the Legislature of the State of Kansas, for the purpose of paying the bonds given to a bridge company, as an inducement to locate their shops in that city, Judge Miller says: "Of all the powers conferred on the government that of taxation is the most liable to abuse. . Given a purpose or object for which taxation may be lawfully used, and the extent of its exercise is in its very nature unlimited." And further: "This power can as readily be employed against one class of individuals and in favor of another, so as to ruin the one class and give unlimited wealth and prosperity to the other, if there are no implied limitations of the use for which the power may be exercised." "To lay with one hand the power of the government on the property of the citizen and with the other bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less robbery because it is done under the form of law and is called taxation. This is not legislation. It is a decree under legislative forms. Nor is it taxation. Beyond a cavil, there can be no lawful taxation which is not laid for public purpose."

And again, in an opinion of the Supreme Court of the State of Maine, the following occurs: "No public exigency can require private spoliation for the private benefit of favored individuals. If the citizen is protected in his property by the state against the public, much more is he against private rapacity. It is the taking that constitutes the wrong, no matter how taken."

And again, the Supreme Court of the State of Iowa, in *Hanson vs. Vernon*, held: "No authority or even dictum can be found which asserts that there can be any legiti-

mate taxation when the money to be raised does not go into the public treasury. If there is any proposition about which there is an entire and uniform weight of judicial authority, it is that taxes are to be imposed for the use of the people and not for the special benefit of individuals. While the state is bound to protect all, it ceases to give that just protection when it affords undue advantage or special and exclusive privileges to particular individuals at the cost and charge of the rest of the community."

Just as soon as the people become conscious of these fundamental truths, there will no doubt be a sudden end made to special privileges to a preferred class.

"It is a curiosity of despotism that the people are too often unconscious of their slavery, as they are also unconscious of bad laws. A wise and just government measures its duties not by what the people will bear without a murmur, but by what is most for their welfare."

HISTORICAL SKETCH.

“To comprehend the present we must know the past. To conceive the future, we must understand the present.”

ON examining this great question of industrial and commercial liberty from an historical standpoint, it will be found that its suppression, or the uncalled-for interference in its natural course, has caused many wars, and that, indeed, the main cause of our own revolutionary war and consequent independence was the result of such interference.

The foremost American historian, Bancroft, says upon this subject: “American independence, like the great rivers of the country, had many sources; but the head-spring that colored all the stream was the Navigation Act.”

England's unparalleled prosperity and greatness date not from the time when her ministers and lawmakers deemed it their province to attend to the private business of her merchants and manufacturers, but from the period when her statesmen had made the discovery that the “commercial let-alone policy” was the best. In our case, it is questionable whether the American colonies would ever have deemed it necessary, or even desirable, to sever their allegiance from the mother country had that discovery been made a century and a half ago. The truth of the old proverb, “it is an ill wind that blows nobody any good,” is strikingly illustrated in the case of British rule in the American colonies; and it may well be said, that the people of these United States owe their

commanding position among the nations of the world to the short-sightedness and avarice of their English rulers.

From the very commencement of the colonies the mother country watched the development of her offspring with a jealous, unmotherly eye, and, instead of encouraging the spirit of enterprise which was the natural outgrowth of prevailing conditions, the British Parliament enacted one law after another with the avowed object of crippling the efforts of the colonists in the fields of commerce and industry, in order to keep them in safe subjection to her own merchants and manufacturers.

The colonies were not permitted to trade with any other country, and their cotton, their iron, their wool could not be manufactured into commodities here, but had to be shipped to England in English ships for that purpose.

No American colony could purchase its silk from France, its tea from China, or its cloth from Germany, but had to buy in England, although at higher prices.

In 1632 an act was passed prohibiting the "exportation of hats from the colonies, and to restrain the number of apprentices taken by hatmakers." An act of 1750 prohibited, on penalty of £200 sterling, "the erection of any mill for slitting or rolling iron, or any plating forge to work with a tilt hammer, or any furnace for making steel in any of the colonies." At the same time encouragement was given to export pig and bar iron to England for her manufactures. The exportation of all wool or woollen goods of American product from one province to another by water or by land, on horseback or in cart was strictly prohibited. By the Statute of 1763, nothing was allowed "to be imported into a British colony except in English-built ships, whereof the master and three-fourths of the crew were English."

But all these restrictions notwithstanding, commerce and trade gradually and steadily increased. To England the colonies exported lumber of all sorts, hemp, flax, pitch, tar, oil, rosin, copper ore, pig and bar iron, whale fins, tobacco, rice, fish, indigo, flax seed, bee's wax, raw silk; and they also built many ships which found a ready market in the mother country.

But the importation of British goods, in consequence of the course pursued by the English government, was still much greater than the amount of the export to England, and this balance against the colonies had to be paid in gold, realized from the trade with the West India Islands.

The difficulties to be overcome, however, seemed rather to stimulate than discourage the early settlers in the manufacture of their own commodities; as, for instance, the coarser kinds of cutlery, coarse cloth, both linen and woollen, hats, paper, shoes, household furniture, etc., were manufactured, to a considerable extent, as early as 1738; of course, the establishments were small and their products insufficient to supply the demand.

During the war of the revolution the commerce of the United States was interrupted, not only with Great Britain, but in a great measure with the rest of the world. The greater part of the shipping belonging to the colonies was destroyed by the enemy, or perished by the natural process of decay. Under these circumstances the people of this country were thrown upon their own resources for the production of all kinds of commodities.

The zeal, ingenuity and industry of the people furnished the country with articles of prime necessity and, in a measure, supplied the place of a foreign market. Such was the progress in arts under this inherent stimulus,

after the return of peace, that when uninterrupted intercourse with England was again opened, some articles which before were imported altogether were found so well and so abundantly manufactured at home that their importation was stopped.

But with the disappearance of the common danger the commonness of interests also ceased. The States grew, to a great extent, commercially independent of each other and the old jealousies were revived. Massachusetts had a navigation act and levied import duties, and other States followed her example. The restrictions and prohibitions imposed on American commerce were vexatious and destructive, and while Congress had power to enter into treaties of reciprocity it could retaliate in any way where its offer of trade was refused.

From 1783 until the adoption of the Federal constitution, it was generally recognized that Congress should have power to regulate commercial relations between the States and foreign powers; but the supposed interests of the different States presented an effectual bar against action. These obstacles were removed by the adoption of the constitution. No sooner had the first Federal Congress met than a resolution for taxing imports was introduced by Mr. Madison, for the purpose of giving some resources to the almost empty treasury. It was during the debate which followed that Mr. Hartley, a representative from Pennsylvania, said: "I think it is both politic and just that the fostering hand of the national government should be extended to all such manufactures as will tend to national utility." This was the key-note of our protection system.

This first tariff bill, which, after a lengthy discussion, was adopted with the significant specification in its pre-

amble that one of its objects was "the encouragement and protection of manufacture," and on the 4th of July following received the signature of President Washington.

The signing of this bill is frequently cited by the advocates of the protective system in support of their assertions that Washington had repeatedly recommended the exercise of the "constitutional right" to lay taxes for purposes of protection. They fail to mention that he said, in reference to this subject in his first message to Congress, "the safety and interest of the people require that they should protect such manufactures as tend to render them *independent* of others for *essential*, particularly for *military, supplies*." Mark this language, used nearly a century ago.

The main object of this first tariff bill was to fill an empty treasury for the liquidation of public debts incurred during the war for independence. The principle which governed its final adjustment was to impose the highest per centum on articles of luxury, and to fix the lowest on goods and products of ordinary consumption among all classes of the people, which is just the reverse of the principle which governs the protectionists in their legislation of to-day. This spirit of fairness was well illustrated by the fact that the duty on Bohea tea was placed at six cents a pound, while for the finer Hyson tea a duty of twenty cents was laid. The then luxurious article of loaf-sugar was taxed with three cents a pound, while the brown sugar, used by the poorer classes, paid but one cent. French and German wines were taxed eight cents a gallon, while the expensive Madeira paid a tax of eighteen cents; and so on through the list. An average duty of fifteen per cent ad valorem — that is, upon the value of the article — was placed upon the different

kinds of manufactures ; revenue was in those days the object, protection only the incident.

The first authoritative imprint of national policy, however, was sought to be given to the protective system by Alexander Hamilton, Secretary of the Treasury under Washington and the recognized leader of the Federalist party. It has been questioned whether that astute statesman ever earnestly was in favor of a republican form of government for this country ; at all events, "he accepted it more from necessity than from choice."

As a writer of note happily expresses it, "he represented the force of national law, as Jefferson represented that of individual freedom. To Hamilton, Jefferson's idea of liberty was that of a bear broken loose from his chain ; and to Jefferson, Hamilton's idea of law was only that of British law, then administered by the few and for the few, with little regard for the happiness or rights of the many." In other words, Jefferson represented the popular and Hamilton the aristocratic idea of government. In characterizing Jefferson's idea of liberty, Mr. Hamilton exhibits his contempt for the great mass of common laboring people by comparing them to the bear, which it is unsafe to release from its chain.

In perfect unison with these views, the situation of the two parties in this tariff controversy is described by Mr. Blaine on page 180, vol. I of his work : "The tariff question," he says, "has, in fact, been more frequently and elaborately debated than any other issue since the foundation of the government. The present generation is more familiar with the question relating to slavery, to war, to reconstruction ; but as these disappear by permanent adjustment, the tariff question returns and is eagerly seized upon by both sides to the controversy.

More than any other issue, it represents the enduring and persistent line of division between the two parties which, in a general sense, have always existed in the United States; *the party of strict construction and the party of liberal construction; the party of State rights and the party of national supremacy; the party of stinted revenue and restricted expenditure and the party of generous income with its wise application of public improvement; the party, in short, of Jefferson against the party of Hamilton.*"

The issue between the two great parties could not possibly be stated more forcibly or more truthfully. In plain English, Mr. Blaine's classification would read thus: The party of strict adherence to the spirit and letter of the constitution as against the party of liberal go-as-you-please construction; the party of local self-government as against the party of centralization and meddling papa-government; the party of low taxes and economy in public expenditures as against the party of high expenditures and subsidy to private concerns; the party, in short, of Jefferson, the representative of the people as against Hamilton, the representative of privileged classes.

In defining Hamilton's position upon the question of protection, Mr. Blaine says: "Mr. Hamilton sustained the plan of encouraging home manufacture by protective duties, even to the point, in some instances, of making duties equivalent to prohibition."

If these were Mr. Hamilton's sentiments, he did not dare to assert them in his public writings. Long before the adoption of the Federal constitution, Mr. Hamilton gave utterance upon this subject, in one of his famous letters to the *Federalist*, which is in direct contradiction to the views Mr. Blaine says were held by him.

"There are persons," Mr. Hamilton says, "who imagine

that duties can never be carried to too great length, since the higher they are the more they will promote domestic manufacture. *But all extremes are pernicious in various ways.* Exorbitant duties tend to render other classes of the community tributary, in an improper degree, to manufacturing classes, to whom are given a premature monopoly of the markets; they sometimes force industry out of its more natural channel into others, into which it flows with less advantage, and, in the last place, they oppress the merchant. When they are paid by the merchant, they operate as an additional tax upon the importing State, whose citizens pay their proportion of them in the character of consumers. In this view they are productive of inequality among the States, which inequality would be increased with the increased extent of the duties."

And six years later, when Secretary of the Treasury under Washington, in his famous report upon manufactures, Mr. Hamilton said: "The restrictive regulations, which in foreign markets abridge the vent of the increasing surplus of our agricultural produce, serve to beget an earnest desire that a more extensive demand for the surplus may be created at home. If the system of perfect liberty to industry and commerce were the prevailing system of nations, the arguments to *dissuade* a country, in the predicament of the United States, from the zealous pursuit of manufactures, *would undoubtedly have great force.*"

In other words, if it had not been for the English corn laws, which at that time were very nearly prohibitive, excluding all our agricultural products from the English market, the arguments of the opponents to the prohibitive system *would have had great force.*

But England has since seen the folly of the restrictive

policy, and has opened her ports for almost all of our surplus products of agriculture and manufacture, and the conditions when, according to Mr. Hamilton, "free trade arguments would have great force," have long since been created.

From this it would undoubtedly appear that Mr. Hamilton advocated protection more as a defensive measure against the restrictive policy of other nations than as a policy of bounty to the manufacturer. If at heart he was an aristocrat and perhaps a monarchist, he was conscientiously so, believing that the so-called "better classes" should rule; but he was not sordid, and too honorable to deliberately formulate or sanction a system with the avowed object "of cutting straps out of the hides of the poor for the stirrups of the rich."

Has it ever occurred to Mr. Blaine that he is one of those persons who, according to Mr. Hamilton, "imagine that duties can never be carried to extremes," and that, consequently, he cannot and is not following the principles of the statesman whom he delights to quote "as the father of the protective system"?

After Hamilton the changes in the tariff were unimportant until 1812 when, under the plea of war necessities, the tariff on iron and cotton jumped to twenty-five per cent ad valorem. These duties were maintained with slight variation until 1824, when a further important step toward protection was made. It was during the debates upon this tariff that Daniel Webster said: "Look to the history of our laws! Look at the present state of our laws! Consider that our whole revenue, with a trifling exception, is collected at the custom house and always has been, and then say what propriety there is in calling on the government for protection, as if no protection had

heretofore been afforded. On the general question is the doctrine of prohibition, as a general doctrine, not preposterous? Suppose all nations to act upon it; they would be prosperous then, according to this argument; that is precisely in the proportion in which they abolish intercourse with one another. The best apology for laws of prohibition and laws of monopoly will be found in that state of society not only unenlightened but sluggish in which they are generally established. But our age is wholly of a different character, and its legislation takes another turn. Society is full of excitement; competition comes in place of monopoly; and intelligence and industry ask only for fair play and an open field."

In referring to this very tariff controversy during the session of Congress from 1823 to 1824, Thomas Benton, in his memorable work, "Thirty Years in the United States Senate," said: "The protection of domestic industry *not being* among the granted powers was looked for in the incidental, and denied by the strict constructionists to be a substantial power to be exercised for the direct purpose of protection; but admitted by all at that time and ever since the first tariff act of 1789 to be an incident to the revenue-raising power. Revenue the object, protection the incident, had been the rule of earlier tariffs."

In 1828 the duties were still further increased. "The tariff for 1828," says Benton, "is an era in our legislation, being the event from which the doctrine of 'nullification' takes its origin, and from which a serious division dates between the North and South. *It was the work of politicians and manufacturers*, and was commenced for the benefit of the woollen interest; but like all other bills of this kind, it required help from other interests to get

itself along, and that help was only to be obtained by admitting other interests into the benefit of the bill"—or, what since that time is known by the name of "pooling."

During the debates upon this bill, Mr. Rowan, a representative from the State of Kentucky, said: "He was not opposed to the tariff as a system of revenue honestly devoted to the objects of revenue; on the contrary, he was friendly to a tariff of that character; but, when perverted by the ambition of political aspirants and the secret influence of inordinate cupidity to purposes of sectional ascendancy, he would not be seduced by the captivation of names or terms, however attractive, to lend it his undivided support. It is in vain to contend that it is called the American system—names do not alter things. There is but one American system, and that is delineated in the State and Federal constitutions. It is the system of equal rights and privileges, secured by the representative principle—a system which, instead of subjugating the proceeds of the labor of some to taxation with the view to enrich others, secures to all the proceeds of their labor, and exempts all from taxation, except for the support of the protecting power of the government. As a support necessary to the maintenance of the government he would support it, call it what you please; as a tax for any other purpose, and especially for the purposes to which he had alluded, it had his undivided reprobation, under whatever name it might assume."

From the adoption of this tariff also dates the remarkable change of policy of the New England States—that is, from free trade to that of protection; and from that epoch also dates Mr. Webster's singular conversion to the protective system. From a commercial community New

England had become one of manufacturing enterprises, and, consequently, selfishness dictated a change of policy.

The debates upon this bill of 1828 were very bitter; the representatives of the manufacturing States and of the agricultural States being arrayed against each other, the controversy partook much of a sectional character. Members of the Southern States were extremely dissatisfied with the bill which was passed by the small majority of 107 against 102 in the House, and with but twenty-three to twenty-two votes in the Senate. The new burden upon imports, they very properly maintained, fell upon the producer of the agricultural exports, and tended to enrich one section of the Union at the expense of the other — a proposition which has been realized to the letter, as will be shown further on by official statistics. It was during this memorable debate that Mr. Van Buren addressed the sagacious remark to the manufacturers, "if they suffered their interests to become identified with a political party they would share the fate of that party."

In 1832 South Carolina passed the famous Nullification Act, and it was not so much the threat of Gen. Jackson that he would hang Calhoun higher than Haman as the Clay Compromise Act that subdued the rebellious spirit. This compromise tariff contained the stipulated surrender of the protective principle; the clause which provided that after the 30th of September, 1842, duties should only be laid for raising such revenue as might be necessary for an economical administration of the government, left the question at rest for ten years. In 1837 the financial panic, the result of wild speculation, raged all over the land. The Whig party successfully charged the tariff reduction with the prevailing distress, and thus elected Harrison and Tyler in 1840, and two years after-

ward the Whig tariff bill, which substantially restored the high duties of 1824, was approved.

In 1844 Polk was elected President, and his administration constitutes the most remarkable period of tariff reform in the history of this country. Mr. Polk's Secretary of the Treasury, Mr. Walker, was a man of extraordinary force and ability, and withal a sincere adherent of the Jeffersonian school of commercial freedom.

In his whole intellectual make-up he was the exact antipode of Hamilton. He firmly believed not only in the right but in the capacity of the people to rule. He believed also that the interests of the few should always be subservient to the interests of the many. In his first annual report, Mr. Walker laid down the following principles upon which his great economical act was to rest:

"1. That no more money should be collected than is necessary for the wants of the government honestly administered.

"2. That no duty be imposed on any article above the lowest rate which will yield the largest amount of revenue.

"3. That below such a rate discrimination be made descending in the scale of duties or, for imperative reasons, the articles may be placed on the free list.

"4. That the maximum of revenue duties should be imposed on luxuries.

"5. That all minimum and all specific duties should be abolished and *ad valorem* duties substituted in their place, care being taken against fraudulent invoices and undervaluation, and to assess the duty upon the actual market value.

"6. That the duty should be so imposed as to operate as equally as possible throughout the Union, discriminating neither for nor against any class or section."

In his remarkable report, Mr. Walker said: "The constitutional power of Congress to collect taxes, duties, imposts and excises does not authorize the laying of prohibitory duty, or a duty in which revenue is sacrificed to the object of protecting the manufacture of the commodity taxed. Taxation, whether direct or indirect, should be as nearly as practicable in proportion to the property. *If the whole revenue were raised by a tax upon property, the poor would pay a very small portion of such tax; whereas, by the consumption of imports or of commodities enhanced in price under the tariff, the poor are made to pay a much larger share than if they were collected by an assessment in proportion to property.* The duties upon luxuries should be fixed at the highest revenue standard. This would not be discriminating in favor of the poor but would mitigate that discrimination. *A protective tariff is a question regarding the enhancement of the profits of capital, and not the augmentation of the wages of labor.* It is a question of percentage and is to decide whether money invested in our manufactories shall, by special legislation, yield a profit of ten to twenty or thirty per cent, or whether it shall remain satisfied with a dividend equal to that accruing from the same capital invested in agriculture, commerce or navigation. It seems strange that while the profits of agriculture vary from one to eight per cent, that of manufacture is more than double. The reason is that, while high duties secure nearly a monopoly of the home market for the manufacturer, farmers are, to a great extent, forbidden to buy in foreign markets and confined to the home market with prices enhanced by the duties. The tariff is thus a double benefit to the manufacturer and a double loss to the farmer. Industry will best thrive when let alone; let all international exchanges

of product move as freely in their orbits as the heavenly bodies, and their order and harmony will be as perfect and their results as beneficial as in every movement under the laws of nature, when undisturbed by the errors and influences of man."

The Walker tariff was adopted by the House by a large majority but barely passed the Senate; that body, in our political system, then, as to-day, being antagonistic to all popular measures, not the representatives of sovereign States but of privileged classes.

The low-revenue tariff, contrary to all the prophecies of protectionists, had the effect of increasing the revenue to \$46,000,000 annually, or \$20,000,000 more than under the protective tariff of 1842, and sufficient to meet all the exigencies of the Mexican War.

Here is what Prof. Summer, of Yale College, a recognized authority in matters of political economy, says, in reference to the effect of that tariff:

"The period from 1846 to 1860 was our period of comparative free trade. For an industrial history of the United States, no period presents a greater interest than this. It was a period of very great and very solid prosperity. The tariff rates were low and their effect limited. It was called a revenue tariff with incidental protection. The manufacturers which, it had been said, would perish, did not perish and did not gain sudden and exorbitant profits. They made steady and genuine progress. The repeal of the English corn laws in 1846 opened a large market for American agricultural products. The effect on both countries was most happy. It seemed as if the old system had gone forever, and that these two great nations, with free industry and free trade, were to pour increased wealth upon each other. The fierce dogmatism

of protection and its deeply-rooted prejudices seemed to have received a fatal blow. Our shipping rapidly increased. Our cotton crops grew larger and larger. The States, indeed, repeated our old currency follies and the panic of 1857 resulted, but it was only a stumble in a career of headlong prosperity. We recovered from it in a twelvemonth. Incidentally, I will add also that, in the administration of the government, the period from the Mexican to the Civil War is our golden era, if we have any."

In the following singularly corroborative language, in speaking of that period of simple revenue tariff, Mr. Blaine, in his "Twenty Years in Congress," says: "The tariff of 1846 was yielding abundant revenue, and the business of the country was in a flourishing condition. *Money became very abundant* after the year 1849; *large enterprises* were undertaken, speculation was prevalent, and for a considerable period the prosperity of the country was general and apparently genuine. After 1852 the Democrats had almost undisputed control of the government, and had gradually become a free-trade party. The principles involved in the tariff of 1846 seemed for the time to be *so entirely vindicated and approved* that resistance to it ceased, not only among the people but among the *protective economists and even among the manufacturers to a large extent*. *So general was this acquiescence that in 1856 a protective tariff was not suggested or even hinted at by any one of the three parties which presented presidential candidates*. It was not surprising, therefore, that in 1857 the duties were placed lower than they had been since 1812." Such eminent senators from New England as Sumner and Wilson from Massachusetts, Allen from Rhode Island, and Bell of New Hampshire, sup-

ported the measure "which was *well received by the people.*"

Here we have the testimony of the foremost representative of Mr. Hamilton's party of "generous income and of liberal expenditures," describing in glowing terms the general condition of the country under the simple revenue tariff, from 1846 to 1861. Mr. Blaine admits that during that period "the prosperity of the country was general and genuine." That is to say, that there was remunerative work for all who wanted work; that there was no destitution, no misery, and that at that time the term starvation or starvation wages was not known; that the laborers of the country were prosperous and satisfied, and had not to resort to secret organizations and to the coercive measures of strikes to secure the just reward for their toil, and that such social abnormities as the pilgrimage of hundreds of thousands of laborers and mechanics in search of work, for whom the term "tramp" has since been invented, were not then even conceived. Mr. Blaine does not say, but his acknowledgment implies, that the manufacturers did not make sudden and inordinate fortunes, but their progress was steady and genuine; that the large expenditures of money by tariff lobbyists in Washington were then not known; that United States senators and representatives did not then grow suddenly rich as now.

But Mr. Blaine's admissions are simply recorded here as corroborative evidence for such as ignorantly, or in a spirit of partisan fanaticism, are prone to deny or refuse to acknowledge the truth of historical facts, simply because they wish the opposite true.

After the capitulation of Milan, the Austrian general said to General Bonaparte that his government would

readily acknowledge the French republic; to which Bonaparte replied: "The republic needs no acknowledgment; it is as the sun; blind are those who do not see it." Blind are those, indeed, who, in reading the history of this country from 1846 to 1861, do not see that it was the most glorious, happy, or, as Prof. Sumner better expresses it, "the golden era" of our history.

But what was this state of universal contentment to the ambitious politicians, who, thirsting for power, were striving for supremacy in the Federal administration!

The presidential election of 1860 was pending, and the opportunities offered by the excited state of public opinion on the slavery question must be improved; the election of their presidential candidate must be made certain, even at the dishonorable expedient of bribing a whole State that had heretofore been steadily opposed to the Hamiltonian party.

"The question of the tariff," says Mr. Blaine, on page 204, vol. I of his work, "was of special significance and influence in Pennsylvania. Important in that State, it had become important everywhere. Pennsylvania had been continually and tenaciously held by the Democratic party. In the old political divisions, she had followed Jefferson and opposed Adams. In the new division she had followed Jackson and opposed Clay. She was Democratic as against Federalists, she was Democratic as against Whigs. From the election of Jackson in 1828 to the year 1860, a period that measured the lifetime of a generation, she had, with very few exceptions, sustained the Democratic party. . . . Disassociated from the question of protection, opposition to the extension of slavery was a weak issue in Pennsylvania. . . . It was this condition of public opinion in Pennsylvania which made the

recognition of the protective system so essential in the Chicago platform of 1860. *It was to that recognition that Mr. Lincoln, in the end, owed his election.* . . . Had the Republicans failed to carry the State election, there can be no doubt that Mr. Lincoln would have been defeated. An adverse result in Pennsylvania in October would certainly have involved the loss of Indiana in November, beside California and Oregon and the four votes in New Jersey. . . . In reviewing the agencies, therefore, which precipitated the political revolution of 1860, large consideration must be given to the *influence of the movement for protection.*"

An honest confession is balm to the soul. The conspiracy of the friends of his party to undermine and break up a fiscal system which, for the previous fifteen years, had given "general and genuine prosperity to the country," could not possibly be exposed more forcibly or more frankly. Let us play Joshua, they said; let us stop the sun, who, heretofore, threw his warming rays equally over all, whose light diffused contentment and happiness among the rich and the poor alike; let these blessings be hereafter monopolized by a few of us, and let us make hay as long as we can keep this sun standing still.

How well this conspiracy succeeded is matter of recent history. The war with all its untold horrors for the people and its splendid opportunities for the heartless jobber and political adventurer was the immediate consequence; it cut the golden thread which was guiding the American people into even and lasting prosperity.

At the first sign of the coming trouble, when the eyes of the people were turned in another direction and steadily

fixed upon the endangered flag of the country, the agents of special interests filled the congressional lobbies, urging, cajoling and threatening the representatives into passing bills to protect this, that and the other manufactured commodities, of course, all under the patriotic pretense of providing the government with ample revenue for impending emergencies. Patriotism ran exceedingly high in those days, and the most enthusiastic brawlers for an "immediate advance upon Richmond," were ready and more than willing "that all their relatives should be sacrificed upon the altar of liberty." But, of course, some one had to stay behind to see that the boys in blue at the front be well supplied with clothing and provisions; especially clothing, because it is well known that the cold, raw climate of the South required a great deal of that. And, as the Frenchman says, "eating brings appetite," so the manufacturers' appetite increased as the profitable effect of protection was enjoyed; upon their demand, accordingly, one act after another was passed, enhancing the duties upon imports until all foreign competition was barred out, and they could, with perfect impunity, unload their shoddy wares, at high prices, upon the government.

It was then that the flag and an appropriation statesman appeared upon the political stage, and low cunning took the place of statesmanship.

The country was in danger, and the patriotic people of the North were ready for any sacrifice; but, while the generous youth of the nation responded with alacrity to the President's call "for three hundred thousand more," the representatives of special interests from Pennsylvania and the New England States rushed from their seats in Congress, with the American flag in one hand

and with a tariff bill in the other, crying: "Give! Give! Save the Union! Save the Union! But give." And they did give.

The protectionists had taken time by the forelock, and, while the tariff, known as the Morrill Act, was not, as is generally supposed, a war measure, it was suggested by political exigencies. It was adopted in the House during the session from 1859 to 1860, just previous to the election of Mr. Lincoln, but did not pass the Senate until the next session. It was intended, as claimed by Mr. Morrill, to restore the rates of 1846 which, by the act of 1857, had been greatly reduced. The real motive, however, which actuated the great statesmen from the New England States and their political coöperators from Pennsylvania, as confessedly admitted by Mr. Blaine, was to create Republican sentiment in Pennsylvania. With the exception of the rates on iron and wool, which were raised considerably, and numerous changes from value rates to specific duties, by which the rates were surreptitiously increased, the Morrill tariff did not materially differ from the Walker tariff of 1846.

In July, 1862, two consecutive acts were passed raising the duties to thirty-two per cent in the average, and in June and August, 1864, these were increased to forty-seven per cent, and these are, with but slight modification, the tariff rates of to-day.

"The result of this legislation," said Tax Commissioner Wells, "is a tariff which is unjust and unequal; which needlessly enhances prices; which takes far more indirectly from the people than is received into the treasury; which renders an exchange of domestic commodities for foreign commodities nearly impossible; which necessitates the continual exportation of obligations of national in-

debtedness and of the precious metals, and which, while professing to protect American industries, discriminates against them."

At the close of the war the internal revenue taxes were to a great extent swept away, but any reduction of the taxes on imports was steadily resisted by the members of Congress representing special interests, and, as monopolies always secure the best intellects available, superior brains and personal influence were on their side. However, the demand for a reduction of the war taxes had grown so strong in the Western States that the representatives from that section of the country, irrespective of party, insisted upon some legislation.

In 1867 an effort at reduction of tariff rates came very near being successful. Mr. David A. Wells, then special commissioner of revenue, with the sanction of the secretary of the treasury, Mr. McCulloch, had a bill prepared reducing the duties on raw material, etc., which passed the Senate with the handsome majority of twenty-seven to ten, and the House with a not less significant majority of 106 to 64, or, but a few votes less than the two-thirds necessary to a suspension of the rules. This unfortunate event defeated the bill, and for three years ended all attempts at tariff reform.

As the money continued to accumulate in the treasury, the people's demand for lessening their burdens could no longer be resisted. In 1870 the duty on simple revenue articles, such as tea, coffee, sugar, molasses and spices, was lowered, and in 1872 coffee and tea were put upon the free list. It must not be supposed, however, that this was acceded to as a concession; it was but a strategic movement on the part of the protectionists, similar to the one now being proposed by Mr. Randall for a

repeal of the taxes on whisky and tobacco, and with a similar design. By cutting off all revenue from internal taxation, they shrewdly calculated any reduction of tariff taxes would become impossible. The lack of public spirit and patriotism among the advocates of protection was as apparent then as now, when the fact is considered that all the taxes collected upon whisky and tobacco and upon such articles of general consumption as are not produced in the United States go into the treasury, while the taxes upon foreign manufactures, which restrict the importation of foreign articles, and, consequently, increase the price of the home product, eventually flow into the pockets of private individuals, or, as we shall hereafter have occasion to show, are wasted and lost in the shuffle. By this act of 1872 the duty on salt, which had enriched the salt operators in Syracuse and Saginaw, was reduced one-half, and the duty on coal, which had been \$1.25 a ton, was reduced to seventy-five cents. It also made a horizontal reduction of ten per cent upon manufactures of cotton, wool, iron, paper, glass and leather; but three years later, in 1875, this act was repealed as far as import taxes were concerned. In this connection it will be remembered that Mr. Morrison, of Illinois, in 1880 proposed an exactly similar reduction. But what had been commented on by the public press as wise and patriotic, when introduced and recommended by Messrs. Dawes and Blaine, was denounced as erratic, unbusiness-like and impractical when proposed by Mr. Morrison. It makes all the difference in the world to the partisan what party label a reformer is wearing.

After 1875 repeated but ineffectual attempts were made by Mr. Morrison to have the tariff reduced, but by shrewd and unscrupulous management the party of Jef-

person became divided on the tariff issue, and Mr. Randall, a Pennsylvania protectionist, having been elected Speaker of the House, organized the committee against Mr. Morrison and his friends, and in the interest of protectionism.

However, Banquo's ghost would not down. But members of Congress, representing special interests or lacking the courage of honest convictions or too ignorant to master the subject, did for a time succeed in preventing the consideration and discussion of this question. Newspapers were subsidized by monopolies owing their wealth to this system, but the independent and consequently most influential portion of the public press was determined that public sentiment regarding the tariff should not be permitted to die out, and continued unceasingly to "agitate." In 1882 this sentiment had taken definite shape and the cry of alarm was already heard all along the line of the "disturbed industries."

When it became apparent to the representatives of the protected industries that the popular demand for a reduction of taxes could no longer be disregarded, or its consideration postponed, Mr. Sherman, the principal representative of the woolen interest, and his assistants of the protective school, resolved to take matters by the forelock and master the situation. If we must have changes and modifications, they said, let us do the changing and modifying ourselves. The representatives of the people, it was thought, might be competent to increase the rates on imports but could not be trusted with the important and difficult task of revising and simplifying the tariff with the view to reduction. Such momentous labors could only properly be performed by men of experience and experts in the various industrial branches!

It was, therefore, thought judicious to remove the

question from the halls of Congress, to prevent the matter from being openly discussed, and the iniquities of the prevailing tariff laid bare to the eyes of the whole country. Consequently, a commission composed of "practical men" was resolved upon, which would investigate the whole matter and formulate a tariff. Mr. Sherman has great faith in the efficacy of commissions! Was it not a commission which, in 1876, saved the United States government from falling into the hands of the party of "stinted revenue and restricted expenditure"?

The appointment of that commission was opposed upon the floor of Congress by every friend of popular government, and by every honest advocate of tariff reform.

The Hon. Poindexter Dunn, a representative from Arkansas, upon this occasion thus tersely and truthfully characterized the movement: "I am opposed to this bill because I believe it to be unconstitutional in its spirit and purpose, unnecessary, in fact, and strategic, cunning and evasive in its motives. I believe it is full of mystery and jugglery, unseen results and delusions. The advocates of the bill proceed entirely upon the theory that we now have a tariff system so complex, so mysterious and so 'wonderfully and fearfully made' that the ordinary legislative mind can no longer be trusted to deal or tamper with it. It is, therefore, proposed to create this commission of 'wise men from the East,' to whom we are to delegate, not, indeed, the absolute power to enact a law but, certainly, the power to substantially formulate legislation. We are told now that we do not know enough to formulate the needed tariff legislation, and, 'by the same token,' as soon as this commission shall have reported, we shall be told that we are not capable of reviewing, revising or in any wise changing, altering or amending such bill as

they may see proper to recommend to us. Therefore, it amounts substantially to a delegation of the power 'to lay and collect taxes, duties, imposts and excises'; and this power is given by the Constitution to Congress and cannot be delegated by Congress, directly or indirectly, to any other tribunal, commission or other body. The Constitution further most explicitly requires that 'all bills for raising revenue shall originate in the House of Representatives.' By the terms of this bill, 'a bill to raise revenue' will originate in this 'tariff commission,' and be passed through the House as a matter of form. So jealous were the people of this power of taxation in the early days that they would not even allow the Senate to originate a revenue bill, but limited that power to the House composed of the immediate representatives of the people. It is this very power to 'originate bills raising revenue' that is proposed to be delegated to this commission. How can representatives, who are usually jealous of the powers and privileges of this House, reconcile their consciences to vote for this measure?"

But Mr. Dunn's was a voice lost in the wilderness. The bill passed and the commission was appointed by the President. That commission was "to take into consideration and thoroughly investigate all the various questions relating to the agricultural, commercial, mercantile, manufacturing, mining and industrial interests of the United States, so far as the same may be necessary to the establishment of a judicious tariff, etc., etc., upon a scale of justice to all industries," etc., etc. After eight months' thorough examination, the commission submitted their report to Congress.

It will be seen, of the various interests the commission was to take into consideration "for the establishment

of a tariff upon a scale of justice to all interests," that of agriculture was mentioned first. But after a careful perusal of the voluminous report, it is found this interest, more important than all the other interests combined, was neither thoroughly nor even superficially considered; unless the farcical recommendation amounts to such consideration, "that a duty of one cent a pound be placed on beef and pork, two cents on hams and bacon, four cents on butter and butterine, two cents on lard, twenty cents on a bushel of wheat, fifteen cents on rye and barley, ten cents on corn, ten cents on oats," etc., which products we do not import but export in large quantities; or the increasing of the tax on raw wool, rice, sugar and tobacco, which may affect the interests of a few farmers in Ohio and Pennsylvania and a handful of planters in the South.

We have also searched in vain through the pages of this report for a "thorough consideration" of the interests of more than six million persons who, in 1880, were employed in rendering professional and personal service and in trade and transportation. The report conclusively shows, that the interests the tariff commission felt itself called upon to exclusively consider, were the interests of the comparatively small number of individuals and corporations engaged in manufacture and mining, and that the act creating the commission misstated the real object. It ought to have read: "An act for the purpose of taking into consideration the manufacturing, mining, wool, sugar and rice interests, with a view to establishing a tariff for the fair distribution among these interests, of the whole plunder realized through this system."

In its report, the commission substantially admits this construction. "Early in its deliberations," they say, "the

commission became convinced that a substantial reduction of tariff duties was demanded. Such a reduction of the existing tariff the commission regarded as a measure of justice to consumers. Excessive duties, or those above such standard of equalization, are *positively injurious to the interest which they are supposed to benefit*. They encourage the investment of capital in manufacturing enterprises by rash and unskilled speculators, to be followed by disaster to the adventurers and their employés, and a plethora of commodities which derange the operations of skilled and prudent enterprise. Numerous examples of such disasters and derangements occurred during and after the *excessively protective period of the late war*. Excessive duties, generally, or exceptionally high duties, in particular cases, discredit our whole national economic system, and furnish plausible argument for its complete subversion."

Who are the consumers, who as the commission implies, have suffered from the injustice of excessively protective duties? Is it not the farmer and the numerous classes of our population whose interests were overlooked by that commission? In a very few and plain words the commission admits the whole case of the tariff reformers. They fully agree with the commission, that the excessive duties prevailing for the last twenty-three years have been "positively injurious to the interests they are supposed to benefit"; "that they have been the cause of disasters and derangements" through which the country has suffered untold miseries, and that, as a measure of justice to the consumers, "a substantial reduction of the tariff rates is demanded." But while these views were the "early convictions" of the commissioners, and while they had claimed that the result of their labors would be a re-

duction of from twenty to twenty-five per cent in the average, the actual decrease was a little over four per cent, and in many instances the rates were increased.

Their schemes to gain time to bridge over the present difficulty and to appease the popular clamor succeeded admirably. The people became tired. They had been betrayed in the houses of their friends. The commission, composed of interested parties, merely completed the work mapped out for them, viz.: to defeat every attempt to enact a "measure of justice to the consumers."

The Chicago *Tribune*, in commenting upon the lamentable outcome of their labor, said: "The tariff commission was not organized for any equitable or just purpose. It was organized to promote certain specific interests. The few members who took part in it with a view to equalize the tariff were a minority. The woolen manufacturers had a specific object which, to them, overshadows all other considerations, and they were allowed to have their own way. In return the iron ore and steel interest was allowed to frame a tariff to suit itself. So with the sugar planter, the cotton manufacturers, the glass and pottery interests. The result was a bill in which the idea of a general revision of the tariff was ignored. In the Senate, under the lead of Sherman, it was able, by log-rolling with the lumber men and others, seriously to increase the iron and steel tariff, to the disgust of all conservative members.

A tariff commission composed of extreme partisans, each looking mainly to the advancement of some special interest, could hardly be expected to frame a just or wise bill, and the abortion produced by the commission failed, as a matter of course, to meet the expectations of the country."

The fact is, the commission had but one idea, and that was to make "protection" the object of the government, and revenue subordinate to "protection." "The inside history of the tariff commission," pertinently continues the *Tribune*, "is coming out from day to day. It was believed from the first that the commission was packed in the interest of monopoly. It was known that two of the commissioners represented the woolen interests; one, the iron and steel interests; one, the sugar interests; one, Mr. Kenner, ultra-protection and a high-tariff man generally. When a letter was published some months ago from Mr. Robert P. Porter, it was suspected that the commission, instead of gathering information impartially as it traveled through the country, was really engaged in drumming up one-sided testimony to 'boom' in favor of high tariff. This theory has been confirmed by additional letters which were written during the existence of the commission by both Porter and Kenner. Mr. Porter was proxy for Pig-iron Kelly on the commission. His letters to Kelly attest that he was working to secure harmony among the commissioners in favor of maintaining ultra and excessive duties, and he was able to report to his principal at last, that 'There was an evident desire on the part of the commissioners to take matters into their own hands and push them through.' His letter shows that he was encouraging the manufacturers and their representatives everywhere to come forward and either crowd out or overwhelm any person who might volunteer to speak in behalf of the people. He was doing the work for which he received his appointment, and reported, from time to time, to Pig-Iron Kelly, just as if the latter had made up the commission, and without taking any notice of the government which

appointed it or the people in whose interest it was ostensibly created."

The case is much better stated by the *Tribune* than I could state it. The excessive and exceptionally high duties remain substantially in the condition which called forth the remarkable declaration of the tariff commission that these, to-wit, high duties "discredit our whole national economic system and furnish plausible argument for its complete subversion."

The recent unsuccessful attempt of Congressman Morrison to do what the commission conscientiously believed was a "measure of justice to consumers," is too fresh in the memory of all to require repetition. In fact, the less said about that disgraceful episode, the better for the good name of our representative government. The eastern magnates, conscious of the efficacy of immense wealth, accumulated under this system of governmental subsidies, having grown impudent and aggressive, were fully determined to check in its incipency every effort to reduce the exorbitant tariff taxes. Their representatives in Congress, having received instructions to stifle any movement which would lead to a discussion of this question, and the coöperation of some thirty members from the ranks of the people's representatives, too stupid or too ignorant to comprehend the situation, having been secured, they sneeringly defied this honest advocate of the people's interests from Illinois to bring forth his measure of justice to the consumers.

Their programme was carried out to the letter, and for the first time in the history of the republic, the disgraceful spectacle of a parliamentary muzzle placed upon the mouth of the Chairman of the Ways and Means Committee was witnessed.

This brief historical sketch cannot be more fittingly closed than by the following lucid and candid statement of Secretary Manning in his treasury report of 1885.

“Beside the reforms which are desirable for the effective administration of any system of taxation levied through imported merchandise and are indispensable for the administration of custom laws which, like our own, are a chaos rather than a system, I venture to hope that in due season it will be the pleasure of Congress to consider some other reforms, upon which, as is requisite, all parties may agree, and that are of a different scope. *Like our currency laws, our tariff laws are a legacy of war.* If exigencies excuse their origin, their defects are unnecessary after twenty years of peace. They have been retained without sifting and discrimination, although enacted without legislative debate, criticism or explanation. A horizontal reduction of ten per cent was made in 1872, but was repealed in 1875, and rejected in 1884. They require at our custom house the employment of a force sufficient to examine, appraise and levy duties upon more than 4,182 different articles. Many rates of duty begun in war have been increased since, although the late tariff commission declared them ‘injurious to the interests supposed to be benefited,’ and said that a ‘reduction would be conducive to the general prosperity.’ They have been retained, although the long era of falling prices, in the case of specific duties, has operated a large increase of rates. They have been retained at an average *ad valorem* rate for the last year of over forty-six per cent, which is but two and a half per cent less than the highest rate of the war period, and is nearly four per cent more than the rate before the late revision. The highest endurable rates of duty

which were adopted in 1862-4 to offset internal taxes upon almost every taxable article, have in most cases been retained now from fourteen to twenty years after every such internal tax has been removed. They have been retained while purely revenue duties upon articles not competing with anything produced in the thirty-eight States have been discarded. They have been retained upon articles used as materials for our own manufactures (in 1884 adding \$30,000,000 to their cost) which, if exported, compete in other countries against similar manufacturers from untaxed materials. Some rates have been retained after ruining the industries they were meant to advantage. Other rates have been retained after effecting a higher price for a domestic product at home than it was sold abroad for. *The general high level of rates has been retained on the theory of countervailing lower wages abroad, when, in fact, the higher wages of American labor is at once the secret and the security of our capacity to distance all competition from 'pauper labor' in any market.* All changes have left unchanged or changed for the worse, by new schemes of classification and otherwise, a complicated, cumbrous, intricate group of laws which are not capable of being administered with impartiality to all our merchants. As nothing in the ordinary course of business is imported unless the price here of the domestic as well as the imported article is higher by the amount of the duty and the cost of sea-transit than the price abroad, the preference of the taxpayer for duties upon articles not produced in the United States is justified by the fact that such duties cost him no more than the treasury of his country gets. As for duties affecting articles that are also produced in the United States, the first to be safely discarded are .

those upon materials used by our own manufacturers, which now subject them to a hopeless competition, at home and abroad, with the manufacturing nations, none of which taxes raw materials. It is not to be doubted that in any reform which shall finally receive the approval of the two Houses of Congress, they will maturely consider and favorably regard the interests which can only gradually and carefully be adjusted, without loss, to changes in the legislative conditions for their advancing prosperity."

Secretary Manning has placed this whole protective theory in a nutshell, and unless its advocates can successfully refute his deductions, "that high-priced labor can distance 'pauper labor' in any market," that theory is reduced to a demand for an increase of the profits of capital, a proposition without the shadow of justification, either in law or in equity.

THE GENERAL EFFECT OF THE PROTECTIVE SYSTEM.

MR. BLAINE, in the first volume of his "Twenty Years in Congress," says: "The people of this country, under the protective system, are in a more prosperous condition than that of any other country."

And again:

On page 211, vol. I, of his work, he makes the other singular statement that "It is the enjoyment of free trade and protection at the same time which has contributed to the unexampled development and marvelous prosperity of the United States."

Mr. Blaine's first proposition that the American people are more prosperous than the people of any other country is not to be questioned, and seems wholly gratuitous when the facts are considered that the American people have been favored by greater natural advantages than the people of any other country; that they were given an entire new continent, in extent as large as the whole of Europe, with endless and inexhaustible natural wealth and resources, and, above all, that they were blessed with institutions which offered opportunities for free individual and aggregate development never before offered to mankind. But when, in the face of his former admission of the grand results attained under the low tariff system, he presumes to convey the impression among his countrymen that the results of these divine blessings are due to the protective system, the soundness of his arguments may freely be questioned.

As to his second statement, it is well known that the free trade system has prevailed between the States of the American Union ever since the formation of the government, and its wonderful results stand out in bold relief as the most powerful argument against the restrictive system advocated by Mr. Blaine, and we have the gentleman's own statement in evidence that even the partial application of that system upon foreign commerce had contributed to the general prosperity of the country. How does Mr. Blaine reconcile that proposition with the other, viz.: that the diametrically opposite system, that of protection or restriction, has also had the effect of contributing to the general prosperity of the country?

In support of his claims Mr. Blaine produces figures from the last United States census report and other official statistics. His principal boast is that under the system of protection the aggregate wealth of the United States had reached in 1880 the enormous figure of \$43,600,000,000.

In parading this array of figures he seems to place more confidence than we do in their reliability. But since he produces them in support of his claims, it is but just and proper in scrutinizing his statement that we use the same official authority.

From the figures of the same report it appears that in 1850 the total estimated wealth of the country aggregated \$7,000,000,000 in round numbers. During the following low tariff decade from 1850 to 1860 our wealth increased to \$16,000,000,000 or 126 per cent; from 1860 to 1870, under the high protective tariff system, this aggregate wealth increased to \$30,000,000,000 or eighty-seven per cent, and during the next high protective decade to \$43,600,000,000 or forty-six per cent.

The census also shows, that the capital invested in manufactories increased during the low tariff decade ninety per cent, and only thirty-two per cent during the high protective system, from 1870 to 1880.

Wages, upon which so much stress is laid by protectionists, increased sixty per cent during the low tariff decade and only thirty-two per cent under the high tariff decade.

The raw material used in manufactories from 1850 to 1860 increased eighty-six per cent, and only thirty-six per cent from 1870 to 1880.

The value of manufactured products increased under the low tariff decade to eighty-five per cent, and only twenty-seven per cent under the high tariff system.

During the years of the low Walker tariff, from 1850 to 1860, the exports of manufactured articles increased in the ratio of 171 per cent, but during the next twenty years of high protective tariff the corresponding increase of manufactured exports was only eighty per cent.

Our cod fisheries had steadily increased under the low Walker tariff until they had reached 93,000 tons in 1850, and in 1860 had increased to 137,000 tons, when, under the protective system, the fisheries steadily decreased until both cod and mackerel fishing, which heretofore had not been figured together, had dwindled to 77,000 tons in 1882.

According to Mr. Blaine's statistics, the capacity of the American ships engaged in the ocean trade in 1850 was 1,440,000 tons in round numbers. This capacity increased during the low tariff decade to 2,380,000 tons, but just as soon as the effect of the exorbitant tariff of 1862-3 was felt, that tonnage decreased until it fell to 1,200,000 tons.

Prof. Perry, in his "Political Economy," amplifies Mr. Blaine's statistics as follows: "The number of vessels plying between the United States and Europe in 1881 was 5,210, of which 555 were steamships. Of the sailing-vessels, the United States had nineteen per cent of the tonnage. Of the steamships, eighty per cent were British, and the United States had four and no more. Four steamships out of 555, where we once had three-fourths of the business."

From the official reports on "Commerce and Navigation of the United States," it appears that in 1821, of the \$128,000,000 worth of exports and imports, over \$113,000,000 was carried in United States vessels. This proportion was kept up until 1860, when of \$760,000,000 worth of imports and exports, \$507,000,000 was carried in American vessels, or nearly seventy per cent of the whole. With the adoption of the high protective system, our carrying trade steadily decreased, until in 1883, when after twenty-three years of high protection, of the \$1,300,000,000 worth of imports and exports, only \$263,000,000, or sixteen per cent, was carried in American vessels.

Navigation is the connecting link of international intercourse, and the interests of our merchant marine should have been watched by our law-makers with the most intense solicitude. But instead, this great interest of the country, the same as that of the farmers, has been sacrificed to the protection molochs of Pennsylvania and the New England States.

It is true there were other causes beside the tariff which contributed to the decline of our ocean marine, the principal one being, the change of wooden to iron ships and the displacement of sailing vessels by steamships. In both of these items England had distanced the United

States five years before the war. But there is not the least doubt that if the government had kept its hand off private concerns, the well-known American enterprise and push would, in a comparatively short time, have regained the lost ground. As it is, the tonnage of free trade England's merchant marine, which was but 935,000 tons in 1856, or considerably less than ours, has to-day nearly reached 8,000,000 tons, or more than four times as much as ours.

Again, we are told by Mr. Blaine that England "has stimulated the growth of her ocean marine by the most enormous bounties ever paid by any nation to any enterprise."

Admitting that a few of the most important steamship lines were subsidized by the English government, that fact cuts only a small figure in the marvelous rapidity with which Great Britain has monopolized the ocean-carrying trade of the world. Ocean shipping follows trade with as much mathematical certainty as the establishment of postal routes or of express lines follow the development of a country. It is to the enormous growth of her miscellaneous trade, established in all parts of the world under the beneficial influence of her free fiscal system, that the unparalleled development of her shipping interest is due.

To England every market of the world is open to receive every conceivable article of manufactured product because she is the cheapest and most unhampered producer in the world.

The vessel sailing from London to the Sandwich Islands with a miscellaneous cargo may not find a cargo to return with, but may find one for Sidney, Australia; there it may obtain a cargo to Singapore, where, again, it

may reload for New York, when, at last, it can be loaded with American produce for the home port.

This is what freedom of commerce is doing for the British merchant marine, but which our protective system has entirely prevented the merchant marine of the United States from doing.

Again: "The extension of postal facilities," says Mr. Blaine, on page 673, vol. II, of his work, "is perhaps the most significant measure of the intellectual activity of a people."

In appendix I, vol. I, of the same work, we find that in 1845, the year previous to the enactment of Mr. Walker's tariff for revenue, the postal facilities of the United States and Territories consisted of 143,940 miles of postal routes.

During the low tariff period the extent of the post-routes had increased to 260,052 miles in 1859, or a clear increase in fourteen years of 116,112 miles.

In 1879, after almost twenty years of high protection, and with nearly twice the population, these postal facilities, which Mr. Blaine contends, "are the most significant measure of the intellectual activity of a people," had increased to but 316,711, or a net increase of only 56,098 miles; about half as many during twenty years under protection as during the fourteen years under a tariff for revenue. From this it would appear that the intellectual activity of the American people, as measured by Mr. Blaine's own standard, has experienced a remarkable decline under the influence of the protective system.

Again, on page 674, vol. II, he says: "The increase ratio in the construction of railroads gives some conception of the progress of wealth."

The following figures are those of appendix 1, vol. II

of his work. It appears therefrom that at the close of 1849, when Mr. Walker's revenue tariff began to fairly show its effect upon the prosperity of the country, there were 7,365 miles of railroads in operation in the United States.

The annual construction of railroads during the eleven years from 1850 to 1860, inclusive, was as follows :

In 1850.....	1,369 miles.	In 1856.....	3,642 miles.
" 1851.....	1,961 "	" 1857.....	2,487 "
" 1852.....	1,926 "	" 1858.....	2,465 "
" 1853.....	2,452 "	" 1859.....	1,821 "
" 1854.....	1,360 "	" 1860.....	1,846 "
" 1855.....	1,654 "		
			<hr/> 22,983 "

A ratio of increase of 240 per cent, or three times as many miles as had ever been built before in this country.

The annual construction of railroads from 1860 to 1879, the high protection period, was as follows :

In 1861.....	651 miles.	In 1867.....	2,449 miles.
" 1862.....	834 "	" 1868.....	2,979 "
" 1863.....	1,050 "	" 1869.....	4,615 "
" 1864.....	738 "	" 1870.....	6,070 "
" 1865.....	1,177 "		
" 1866.....	1,716 "		<hr/> 22,279 "
In 1871.....	7,379 miles.	In 1876.....	2,712 miles.
" 1872.....	5,878 "	" 1877.....	2,281 "
" 1873.....	4,107 "	" 1878.....	2,687 "
" 1874.....	2,105 "	" 1879.....	4,721 "
" 1875.....	1,713 "		<hr/> 33,583 "

Or, an increase, since 1870, of only about fifty per cent.

Thus it appears that there were actually more miles of railroad constructed from 1850 to 1860 than from 1860 to 1870, and the fact, notwithstanding that "the Pacific railroad was constructed in the midst of the gigantic out-

lays of the war," and that from 1870 to 1880, after the population had nearly doubled, the increase of miles was only one-half as many more as were constructed during the low tariff period, with the Mexican War on our hands.

In another part of his work, Mr. Blaine says that the protectionists attribute the state of extraordinary prosperity during the free trade period from 1850 to 1860, to other causes than the low tariff system, to-wit: "to the Irish famine, to war, short crops and the unsettled condition of Europe, and, lastly, to the discovery of gold in California."

The startling proposition that a destitute and famishing people increase the prosperity of another people will have to be dismissed as too frivolous to be seriously discussed. The next argument, that the unsettled condition, the short crop and war in Europe, gave our farmers unprecedented opportunities for the sale of their products, may be answered with the statement, that during the last period of protection similar conditions prevailed in Europe, and that the wars which were waged there during this time greatly exceeded in magnitude those of the preceding decade.

As to the acquisition of Mexican territory and the gold plethora of 1848-9, Mr. Blaine says: "Moreover, an exceptional condition of affairs existed in the United States in consequence of our large acquisition of territory from Mexico at the close of the war, and the subsequent and almost immediate discovery of gold in California. A new and extended field of trade was thus opened up, in which we had a monopoly, and an enormous surplus of money was speedily created from the products of the rich mines on the Pacific coast."

Now will Mr. Blaine contend that this large acquisi-

tion of Mexican territory, peopled as it was by a few destitute greasers, half-breeds and naked savages in 1849, bears any comparison to the opening up of our immense trans-Mississippi territory through the building of the Pacific railroads and their branches, during the protection period from 1860 to 1872?

Did the opening of the fields of trade in the territory acquired from Mexico bear the remotest semblance to the enormous traffic that has since sprung up in the western and northwestern territories?

As to his statement that the rich mines of the Pacific coast created an immense amount of surplus money, let us examine the figures of the tables in appendix D of his work. These show the total amount of gold and silver coins issued from the mints of the United States in each decimal period since 1790. There we find that between 1841 and 1850

\$ 89,239,817 in gold coin and
22,368,130 in silver coin were issued;

total, \$111,607,947.

Between 1850 and 1860

\$330,237,085, gold;
46,582,183, silver;

total, \$376,819,268.

Between 1861 and 1870

\$292,409,545, gold;
13,188,601, silver;

total, \$305,598,146.

Between 1870 and 1880,

\$392,125,751, gold;
155,123,087, silver;

total, \$547,248,838.

And during the two years from 1881 to 1883

\$208,076,239 gold coin,

84,268,825 silver coin were issued;

total, \$292,345,064.

Thus we see that in the space of thirteen years, under protection, the grand total in coin issued was \$839,593,902.

Think of it! in the short space of thirteen years of protection, over eight hundred and thirty-six million of dollars in gold and silver coin against three hundred and seventy-six millions during the low tariff decade, from 1850 to 1860, and then consider Mr. Blaine's assertion that the product of the rich mines of the Pacific coast was one of the main causes of the general prosperity which prevailed in this country during the low tariff decade! Three hundred and seventy million dollars is, in Mr. Blaine's estimation, a plethora of surplus money, if expended under the low tariff system, but the snug little sum of eight hundred and thirty millions, if expended under the protective system, is hardly worth mentioning.

The prosperity of the country, to a large extent, depends on the amount and value of products exported. But, for the exports of our agricultural products, the value of which averaged during the last ten years from \$500,000,000 to \$600,000,000 annually, the people of this country would be in a sorry plight, indeed. But while there has been a steady outward stream of these unprotected products, what has become of the export trade in protected products? Let us see.

In 1860, under the tariff for revenue, we exported manufactured cotton goods to the value of \$10,934,796. In 1870, after ten years of protection, these exports had dwindled to the insignificant value of \$3,787,282, and only amounted to \$9,981,418 in 1880, or a falling of

\$1,000,000 in the value of our foreign sales of cotton goods, after twenty years of protection.

Tobacco figures on the list of exports in 1860 with \$19,285,957; and in 1880, after twenty years of protection, we exported \$18,442,273, or nearly \$1,000,000 in value less than in 1860.

In 1860 the value of exports of furniture and other manufactures of wood was \$10,047,956.

In 1880, after twenty years of protection, while the total home product of that industry had reached the value of \$83,000,000, the value of our exports in those articles amounted to \$16,237,376.

In 1860 we sold to foreign nations naval stores to the value of \$1,969,642, and only \$2,452,908 worth in 1880.

In 1860 the value of exports of metals and their manufacture, exclusive of iron and steel, amounted to \$2,121,683, and only \$1,928,030 in 1880, an actual decrease of \$200,000, under the blighting effect of twenty years' protection.

England is selling large quantities of these goods at our very doors, to the nearest neighbors south of us, where we would, but for the stupidity of our law-makers, have a monopoly of the market.*

*EXPORT IN 1880.	English Goods.	American Goods.
Mexico.....	\$2,406,000	\$832,200
Central America.....	2,161,000	77,700
British Honduras.....	209,000	66,800
British West Indies.....	3,400,000	131,000
Other West Indies (including Cuba).....	6,100,000	825,000
United States of Columbia.....	3,163,000	586,000
Venezuela.....	1,443,000	149,000
British Guiana.....	670,000	12,800
Brazil.....	17,180,000	687,000
Uruguay.....	3,081,000	52,500
Argentine Republic.....	4,816,000	133,600
Chili.....	5,162,000	217,800
Ecuador.....	1,020,000	104,000
Peru.....	418,000	24,000
	\$51,235,000	\$3,899,400

In 1880 the value of British exports in cotton goods to Mexico and the South American States was \$51,235,000, while ours amounted to the insignificant figure of \$3,899,400. But this discrepancy of manufactured exports between free-trade England and protectionist America is simply astounding, when the facts are considered that in 1880 the total British exports in metals and textiles amounted to the enormous sum of \$772,000,000, while the exports of similar articles by the great American Republic, with double the population, with twice the ingenuity and spirit of enterprise, and with fifty times the natural resources, amounted to the beggarly sum of \$24,322,576.*

In 1855 the total value of British export was \$466,764,200, while in 1880 the export value of her woolen and cotton fabrics alone amounted to \$534,500,000. This is what unrestricted commerce is doing for those little islands on the European coast.

Let the humblest American workman reflect, for an instant, what the condition of his class would be, if the

*ARTICLES.	American Product'n, 1880.	English Exports in 1880.	American Exports in 1880.	Foreign Imports, 1880.
METALS.	\$672,078,000	\$237,500,000	\$14,116,000	\$72,744,000
Brass, copper, and manufactured industries, telegraph wires	30,000,000	27,000,000	180,000	1,737,000
Cutlery and hardware.....	38,000,000	19,000,000	1,100,000	1,900,000
Firearms	5,700,000	6,500,000	2,286,000	830,000
Foundry products and machinery.....	214,378,000	50,000,000	5,700,000	1,227,000
Iron and steel, tin, etc.....	384,000,000	135,000,000	4,850,000	67,000,000
TEXTILES.	\$521,300,000	\$534,500,000	\$10,216,576	\$122,350,000
Cotton goods.....	211,000,000	375,000,000	10,000,000	30,000,000
Jute goods	697,000	12,500,000	—	2,850,000
Linen goods	602,000	30,000,000	—	22,500,000
Silk goods.....	41,000,000	17,000,000	—	32,000,000
Woolens, worsteds and mixed textiles.....	268,000,000	100,000,000	216,576	35,000,000

above figures of the relative value of English and American exports were reversed. Suppose we were given as free a scope to all our individual and national faculties and energies as the Britisher has? Suppose the restrictive bars across the boundary lines were removed and free elbow room given to our enterprising merchants. Suppose our American "drummer," with his characteristic geniality, dash and persistency, be given the whole world as a field of operation. How long would it be before we would be selling \$800,000,000 worth of manufactured goods to the foreigner instead of \$24,000,000; and having thus obtained a foothold in the markets of the world, is it not plain that our manufacturing plants would be insufficient to produce the increased foreign demand, and would have to be multiplied? Would not in that case the demand for labor be also greatly increased? And would not such a demand have the effect of insuring more permanent work and a higher rate of wages?

Is it not plainly apparent from the foregoing exhibits that, while we have been using our renowned ingenuity in efforts at getting the best bargains from each other, and in trying to get rich at the expense of each other, we have been losing an incalculable amount of money, and golden opportunities also, to increase our common stock of wealth through profitable trades with foreign nations? And do the above figures not also plainly show that if the American people are still more prosperous than the people of any other country, it is not from the effect of protection, but in spite of it? If in addition to building up fabulous private fortunes, in defraying the enormous expenses of a great war, and bearing the colossal burdens of local taxation, we have been able to apparently hold our own, it is due to our incomparable powers of recu-

peration, to the steady flood of a valuable immigration, and to the almost inexhaustible resources of our fields, our forests and our mines.

If the government of the United States were managed upon sound business principles its methods would be business-like, and it would no more exchange a good business method for an injurious one than would the private citizen in the management of his business.

Let us illustrate for instance :

A few years ago John Jones was the successful manager of a Western Manufacturing Company. The concern had been early established and was in a flourishing condition. Under the careful and economical management of Mr. Jones, the company was doing such a thriving business that a yearly dividend of 125 per cent was divided among the overjoyed shareholders. But, as in every corporation where there are factions, jealousies arose among them as to who should be in the board of directors. The "outs" circulated a thousand lies about the "ins," and when the election came around the old board was thrown out and a new one stepped in. The old manager, who had been so successful in making the establishment prosperous, had also to go, and Mr. Joe Smith, a man who had the reputation of meddling with everybody's business except his own, was put in his place. No sooner had the latter assumed his duties than he went about upsetting all the rules and methods under which the corporation had grown prosperous and wealthy, substituting, instead, his own system of running the factory. The effect was that the next year the dividends to be declared amounted to only eighty-seven per cent. Being permitted to remain in charge another year, the dividends fell to forty-six per cent, and, instead of apologizing for

his shortcomings and resigning his trust, he set up the impudent claim that the prosperity of the concern was due to him and his new system. What would sensible stockholders have done in that case? Why, they would have insisted upon returning to the old system; but the majority were not sensible, and therefore insisted upon retaining the presumptuous manager.

To let well enough alone was not on their programme. Mr. Blaine's party of generous income and liberal expenditures pleased them better. The fiscal system which *had been yielding abundant public revenue*, and had placed *the business of the country in a flourishing condition*, did not answer their purpose. It was replaced by a system which would yield *abundant private revenue*, and which would place the business of a limited number of individuals in a *flourishing condition*. The national system, which, as admitted by Mr. Blaine, "had encouraged the undertaking of large enterprises, and had secured the general prosperity of the country for a considerable period," was supplanted by the sectional one, which, during former periods of protection, had become notorious as the Pennsylvania system. If that system ever had any ground of justification it was in the early stages of our national existence, which, however, I do not admit. War necessities and a depleted treasury gave it a colorable excuse, and it was acquiesced in by the people as a temporary measure of exigency. No such excuses are admissible to-day. Nor do the protectionists claim its continuance upon that ground. Protective legislation to-day is special legislation, without even the color of commonality, and an act for the protection of this or that industry is not a public but a private measure, and it would be difficult for Mr. Blaine, even, to exactly point out the way in which this law-making for the benefit of private concerns can *con-*
he United States.

THE EFFECT OF PROTECTION ON FARMERS.

NOW for the claim of the protectionists that the process of taking from John, Dick and Harry, and giving it to Peter, will enhance the prosperity of all four. Let us begin with the larger half of our population, the American agriculturists, and see how their interests have been affected by the tariff. There can be no controversy upon the statement that of all the great interests of the country, agriculture is preëminently the most important. The condition of its prosperity constitutes, as it were, the barometer of the high and low state of prosperity of the whole country. If crops are plentiful and the prices of products are good, the condition of all other interests of the country is at once favorably affected. The prompt and effectual relief afforded by the agriculturists of the country to the prostrated manufacturers, merchants and tradesmen in 1880 and 1881, furnishes the most recent case in proof. It was not protection, but the farmers, that set the idle furnaces, the hammers and the spindles of the protective industries again in motion, and relieved the misery of more than a million tramping laborers and mechanics. It was the unprotected half of our population that infused new life into and rekindled the courage of the other half.

If the agriculturists of the country are suffering, either from natural causes or from the effect of unwise legislation, all other great interests of the country suffer in consequence. History is full of examples substantiating this fact.

As long as Rome was in her ascendancy she retained respect for the arts of agriculture. The plains of Italy

were abundant in crops of various kinds and rich in pastures and flocks. "The main source of wealth among the Romans, and their most honorable occupation," says the historian Schmitz, "was agriculture."

The greatest generals and statesmen, after holding for a time the helm of the republic and gaining victories and triumphs, did not *hesitate* to return to the plough and live in rural retirement. The decadence of agriculture marks the decadence of Rome; it was the beginning of her end. Should we forget the great lessons of history?

Now let us look into the share the farmer has had in the "unexampled prosperity of the country" on account of our tariff system. This can best be done by comparing its relative effect upon one of the agricultural and one of the manufacturing States, respectively; say Illinois and Pennsylvania. Of course, there has always been absolute free trade between these two States, and if not interfered with by governmental restriction, there is no reason why both should not equally prosper. Its citizens are all citizens of a common country, bound by every dictate of patriotism to practice good fellowship and harmony between each other. But beyond such mutual good-will we know of no law, human or divine, which places the citizens of one of these States under obligations to furnish material aid to any of the citizens of the other State, in order to build up and carry on some private enterprise, and it would be just as absurd, for the Illinois farmer to ask the Pennsylvania mine owner to assist him to lift a mortgage from his farm, as it is for the Pennsylvania man to ask the Illinois farmer to assist him in paying off his hands. In theory, this proposition would seem to be unassailable. But let us see whether in practice it is so.

Iron, the principal product of Pennsylvania, is "pro-

ted” against foreign competition by the government, say fifty per cent in the average; this, of course, furnishes the iron master of that State with the *advantage* of charging, if he chooses to do so, or, if agreed upon by the “iron pool,” fifty per cent more for his product than he could charge without such “protection.”

Breadstuffs and provisions, the principal products of the State of Illinois, cannot be “protected”; that is to say, the farmers and stock-raisers of that State cannot, so long as the United States has a surplus of those agricultural products to sell, charge one cent more for their product than what their competitors of the rest of the world get for theirs in the London market; consequently, the exchangeable value of the Illinois product is fifty per cent less than that of the Pennsylvania product. Or, to be more explicit, under the protective tariff the Illinois farmer has to give about the same quantity of wheat and bacon for a ton of Pennsylvania iron that he would for a ton of English iron, with this difference, that in the latter case, the fifty per cent tax would go into the United States Treasury, while in the former, the fifty per cent protection goes into the pocket of the Pennsylvania iron-master; and that it is, therefore, all the same to Illinois whether the Federal custom house is located in New York or upon her own borders; she pays fifty per cent more for the iron she needs than she would if permitted to exchange the wheat and provisions, not needed at home, with the people who do need them but have a surplus of iron to sell.

To make this matter still clearer, let us suppose a Chicago packer, who is also interested in railroad building, takes fifteen hundred barrels of pork to Philadelphia with the intention of turning the proceeds into steel rails. The market price of pork is supposed to be \$13.34 per barrel,

and Pennsylvania steel rails cannot be had for less than \$28 per ton, so that for his fifteen hundred barrels of pork he would get about 714 tons of Pennsylvania rails. While there, he learns that an English vessel with one thousand tons of steel rails on board is lying in port. The captain offers to sell the rails at \$20, cash, per ton, or to take the American pork at the market price in exchange. But, while closing the bargain a United States custom officer steps up with the information that, upon landing, a duty of fifty per cent would have to be paid on the rails. As this would raise the price of the rails to \$30 per ton, the Illinois man concludes to buy the Pennsylvania rails. However, instead of a thousand tons which, but for the interference of the government, he might have had for his fifteen hundred barrels of pork, he only receives 714 tons, or a clear loss for our Illinois man of \$5,720. Had this amount gone into the United States Treasury, our Prairie State friend might have consoled himself with the thought that this sum would be expended for the public benefit, and that he accordingly had performed a patriotic act.

Is not that the old story of the Indian and the white hunter over again? Is it not clear that "free trade and protection at the same time" means turkey for Pennsylvania and buzzard for Illinois, and buzzard for Illinois and turkey for Pennsylvania; and that the turkey, that is, the marvelous prosperity to which the double system is said to have contributed, has all gone to Pennsylvania?

But in order to remove even the shadow of a doubt from the mind of the reader, that such is the actual outcome of this double-action system, we will now produce in evidence the official figures of the United States Census Report.

These will show that the aggregate wealth of the State of Pennsylvania in 1850 was \$313 per capita, while that of Illinois was \$183 per capita. During the low tariff decade from 1850 to 1860 the State of Pennsylvania increased her aggregate wealth to \$487 per capita, while the State of Illinois increased hers to \$509 per capita. From 1860 to 1870, under the high protective tariff, when, by action of the government, the exchangeable values of her main product were enhanced from forty to fifty per cent, the State of Pennsylvania increased her wealth to \$1,081 per capita, while the State of Illinois, whose exchangeable value of products was regulated in foreign markets, increased hers only to \$835 per capita, and during the following decade of high protection for the Pennsylvania product, that State increased her wealth to \$1,259 per capita, while that of the tributary State of Illinois increased hers only \$1,005 per capita. But to make this discrepancy between manufacturing and agricultural communities still more glaringly apparent, we will now compare the relative effect of this system upon the States of Massachusetts and Illinois, respectively.

In 1850 the aggregate true value of wealth of the manufacturing State of Massachusetts, as given in the census report, was \$577 per capita, while that of the agricultural State of Illinois, as already shown, was only \$183 per capita.

During the following decade of comparative non-interference by the government, from 1850 to 1860, the estimated aggregate wealth of Massachusetts increased to \$662 per capita, or exactly fifteen per cent, while that of Illinois increased to \$509, or nearly three hundred per cent. In 1880, after twenty years' experience, under the system of free trade and protection at the same time, the wealth

of Massachusetts had increased to the enormous figure of \$1,568 per capita, while that of Illinois had only increased to \$1,005.

Thus, it appears that while the wealth of the State of Illinois during the ten years under the low revenue tariff had trebled, its wealth had only doubled during the twenty years of protection.

Massachusetts, on the other hand, had increased her wealth at the rate of only fifteen per cent per capita during the ten years of low tariff, while she increased her wealth 150 per cent during the twenty years of protection.

Again. Here are the people of the great State of Illinois, who have been exporting more breadstuffs, provisions and high wines than the people of any other State in the Union, and, consequently, have obtained more foreign capital than any other during the twenty years of protection, have accumulated but one-half of the wealth which has been accumulated by Massachusetts, a State which exports comparatively nothing, and, consequently, has no other resources for the accumulation of her wealth than the great sucking-pump placed over the agricultural States by a despotic government, falsely styled "the government of the people."

We have seen that in 1850 the total value of wealth of the country was \$7,000,000,000 in round numbers. Of that great wealth the farmers owned nearly \$4,000,000,000, or more than one-half. When, as we have seen, after ten years of low revenue tariff the total wealth of the country had increased to \$16,000,000,000, the farmers' share of that wealth was \$8,000,000,000, or still one-half. But when, in 1880, after twenty years of protection, the national wealth had reached \$43,600,000,000, the farmers' share was but \$12,000,000,000, or a little more than one-

fourth. Thus, it will appear, that while under a revenue tariff the aggregate wealth of one-half of our population, namely, the agricultural half, had increased at an even rate with the other half during twenty years of protection, the farmers' wealth increased only \$4,000,000,000, while the wealth of the other half increased \$23,000,000,000, or nearly six-fold.

The United States Census Report contains the further interesting information that the value of the farms of the country in 1850 was \$3,272,000,000 in round numbers. This value increased during the low tariff decade to \$6,600,000,000, or over one hundred per cent. During the high tariff decade, from 1860 to 1870, that value had increased to \$9,300,000,000, or about forty-one per cent, and between 1870 and 1880 it increased to a little over \$10,000,000,000, or only nine per cent. So the official statistics show that while the value of the farms in the United States had doubled under ten years of low tariff, it had only increased about seventy-five per cent under twenty years of high tariff.

The gold value of live stock in the United States in 1850 was \$540,000,000. During the ten years of low tariff, from 1850 to 1860, that value increased to nearly \$11,000,000,000, or one hundred per cent. From 1860 to 1870, this value had increased but \$217,000,000, or twelve per cent, and in 1880 but to \$1,500,000,000, or twenty-three per cent. Thus it would seem that under ten years of *low* tariff, the value of live stock increased \$545,000,000, while under twenty years of *high* tariff it only increased \$411,000,000.

The total value of farm machinery in 1850 was valued at about \$152,000,000. During the ten years of low tariff, from 1850 to 1860, this value increased to \$246,000,000,

or over sixty per cent. During the *twenty* years of high tariff, from 1860 to 1880, this value increased to \$406,000,000, or but little over fifty per cent.

There is no earthly reason to suppose that this steady increase in the general prosperity of the farmer would not have continued had the low tariff policy of the government not been changed to one of protection. That is to say, if the rate of increase in the aggregate agricultural wealth had not been interfered with by special legislation, the total agricultural wealth of the country would have been in 1880 over \$32,000,000,000, instead of only \$12,000,000,000, or nearly three times greater.

But this uneven rate of increase of wealth in the manufacturing and agricultural States, respectively, which, with the certainty of the law of gravitation, must be the ultimate effect of this protective system, becomes still more glaringly apparent when the per capita subdivision of the aggregate wealth of these respective States is scrutinized.

It will hardly be questioned that the wealth in the agricultural States is more evenly divided among its inhabitants than in the manufacturing States; that is, the number of excessively wealthy individuals is less and the number of property owners greater. The millionaire mill-owner, who employs five thousand persons, generally owns all the wealth himself; still, for the convenient use of the statistician this wealth is divided per capita among the propertyless operatives, upon paper.

The only wealth generally owned by the manufacturing population consists in its labor, and hereafter it will be demonstrated, that the hundreds of thousands of operatives in the cotton and woolen mills of New England,

in the mining regions of Pennsylvania, in fact, in almost all large manufacturing and mining centers, live to-day from hand to mouth, and that they do not own a cent's worth of the per capita wealth with which the population of their respective States is credited.

Let us illustrate: Suppose the great Pullman manufacturing establishment near South Chicago, with all its lands and appurtenances, was estimated at \$10,000,000; how much per capita of this wealth belongs to any one of the thousands of workmen there employed? Not a dollar. And still each one of these operatives is figuring as a part owner on paper of that wealth in the per capita calculations of Illinois in the Census Commissioner's report.

Only about one-tenth of the population of the State of Illinois over ten years of age, according to the last census report, was engaged in manufacture and mining, while the State of Pennsylvania thus employed over one-fifth, and the State of Massachusetts nearly one-third.

Suppose the aggregate estimated wealth of Illinois was divided among the remaining nine-tenths of her population above ten years, that of Pennsylvania among the remaining four-fifths, and that of Massachusetts among the remaining two-thirds, would not this per capita calculation show a more glaring discrepancy in the relative effect of protection upon the prosperity of the agricultural and manufacturing sections of the country, respectively?

THE "HOME MARKET" FALLACY.

"But, don't you see, my granger friend," we hear the manufacturers say, "do we not furnish you with a permanent, adequate and profitable home market for ninety per cent of all you are producing? Will you

throw away the chance of keeping such reliable cash customers who are furnishing you with a ready market, and thereby, in a large measure, saving you all the expense of ocean transportation, for the uncertainty of the foreign market? Don't you see the more men the manufacturers can employ the more mouths there are for you to feed, and the more money they are making the more they can pay you for your produce? Don't believe those 'free trade theorists,' because your interests are identical with ours, and by helping us with your vote in maintaining the protective system you are helping yourself."

Such are the sophistries preached to our farmers to reconcile them to their pack-mule fate. The term "home-market" is as deceptive as the term "protection," and is used by the protectionist to mislead the farmer in the same manner as "protection to home labor" is used to mislead the working-man. But the catchword "protection" against the pauper labor of Europe, which has proven so effective with the working-men, cannot successfully be used with the farmer. To rob him in safety and to use his vote to perpetuate the system, the catchword "home-market" had to be invented. It has rendered excellent service in benumbing the understanding of the farmer of the grain-growing States of Illinois, Iowa, Kansas, Nebraska, Wisconsin and Michigan, and will, no doubt, do so again. It is sought to impress the farmer with the idea, that the encouragement and extension of manufacturing industries are what the farmer is in need of in order to dispose of all his products at home; that if the import of foreign commodities was prohibited so that the American manufacturers could monopolize the supply, the additional working-men required by these manufacturers would increase the demand for agricultural

produce, to such an extent, as to render the export of the small surplus of ten per cent of the whole product quite unnecessary.

Where these additional working-men are to come from, whether they intend to import them on the free-trade-in-labor plan, or whether they would draw them from other occupations which are getting along without protection they carefully avoid to state.

If it means more foreign labor, we are at a loss to discover the benefit to the American working-men; if it means to transfer labor from the farm or other unprotected industries, we cannot see how this shift of employment will increase the demand for agricultural produce.

Should a farmer, a barber or a house-servant change his occupation by working in coal mines, in an iron foundry or in a woolen mill, he would probably consume as much food as he did before; that is, if he could get it. In order to fortify their "home-market" theory, protectionists are prone to talk flippantly of the small surplus of agricultural products which is exported, and, relying on the credulity of the people, venture to state that the average amount of such export to be but ten per cent of the whole product.

What are the facts in the case? From the census report of 1880, it appears that the grand total farm product of that year was valued at about \$2,500,000,000. Of this produce an amount to the value of \$242,000,000 was cotton, of which \$211,000,000 was exported, leaving cereals and provisions to the value of \$2,289,000,000. Of this amount \$375,000,000 worth was exported, leaving \$1,914,000,000 worth to be consumed at home. It is to be supposed that the farmers of the North and the cotton-growers of the South, who with their families and

dependents numbering one-half of our population, have as good appetites as the mechanics or tradesmen, and it stands to reason, therefore, that they absorbed one-half of our agricultural products, or about \$950,000,000 worth themselves.

The remaining half must, accordingly, have been consumed by the three millions of persons and their families in protected industries, and by the seven millions of persons and their families employed in the other pursuits. To be liberal, we will say that the latter seven million persons with their families consumed only two-thirds, or \$620,000,000 worth, leaving \$330,000,000 worth to the protected classes — would not this comparatively small percentage constitute the home market furnished by the manufacturers, or \$45,000,000 less than the value of products sent abroad to the “European paupers”?

But the absolutely unanswerable fact, in proof that this home market theory is nothing but a precious pretext to beguile the farmers into the support of this protective system, is furnished by the official statements of imports and exports published by the Treasury Department for the sixteen years ending 1887, from which it appears that \$4,280,576,088 worth of breadstuffs and provisions, mainly the products of our Western farmers, were exported to Europe.

This fact alone should be sufficient to absolutely dispose of the absurd claim of the protectionists that it is the “home market,” created by the protected industries, which secures prosperity to the farmer, and that an increase of manufactories would absorb all agricultural surplus. Where was the “home market,” with its all-absorbing qualities, during those sixteen years of high protection? The exports of cereals and of cotton since 1870,

from year to year, have been on the increase in spite of protection and in spite of the enormous increase of manufactories.

When it is considered, that, according to the most reliable estimates, the existing manufacturing plants, if worked during eight months in the year to their full capacity, are able to fully supply the home demand, it is evident that the protectionists, in talking of an increase of manufactories to absorb the agricultural surplus, have succeeded in "argumenting" themselves into a *cul-de-sac*.

Now let us see what has become of the \$4,280,576,088 received by the farmers, less freight, commission and insurance, in pay for their products in the course of sixteen years. What have they to show for this plethora of gold thrown into their laps by their pauper customer? If they have not been able to meet their expenses; if, instead of growing prosperous and pecuniarily independent with all this enormous wealth, they are unable to keep their heads above water; if the agriculturists are in debt; if a large number of their farms are mortgaged, there must be a screw loose somewhere.*

The Western farmer is reputed to live comfortably, but he is not known to be a spendthrift, and if he were allowed to dispose of his earnings to the best advantage,

* The exact amount of the mortgage debt of the Western states can only approximately be given. According to the estimates made by Mr. Harris, a Chicago banker, a little over a year ago, the mortgaged indebtedness of the farmers in the ten Western states is as follows :

Ohio.....	\$350,000,000	Minnesota.....	\$ 70,000,000
Indiana.....	175,000,000	Iowa.....	100,000,000
Illinois.....	200,000,000	Nebraska.....	25,000,000
Wisconsin.....	100,000,000	Kansas.....	50,000,000
Michigan.....	125,000,000	Missouri.....	100,000,000

Total indebtedness, \$1,295,000,000. Upon this enormous amount, which is rather below than above the actual figure, these farmers have to pay a yearly interest of nearly one hundred million dollars.

as he understands it, there is no earthly reason why he should not be as prosperous and happy as the Pennsylvania manufacturer.

In order to furnish our Western farmer with the "cold facts" in regard to the manner in which he is robbed by this protective system, and to make it absolutely clear to him, that the difference between the price of the "protected" article, and what the price would be "without protection," is the precise amount of the tax exacted from him by the home manufacturer, we will illustrate, by taking the case of a farmer who, with his family has settled upon a 160 acre tract of prairie land in the state of Illinois. With cash in hand he has purchased all the material necessary for fencing the land; for the building of a moderate sized dwelling and barn; making the first outlays for farming utensils, household and kitchen furniture; for bedding and wearing-apparel, and articles of daily consumption. The price of each article as it appears to-day in the market reports and in the price list of merchants and domestic manufacturers has been classified in three separate columns, the one containing the price of the article "protected," the other, the price the farmer would pay "without protection," and the third containing the "manufacturers' tax," or what is called the percentage of import duty, reduced to dollars and cents.

Particular pains have been taken to avoid exaggeration, the amount of the tax being rather under than over estimated.

By comparing the price of imported goods, less the amount of the tariff, the farmer, who is not simple enough to believe in the protectionist theory that the duty on the foreign article does not enhance the price of the domestic product, will find our "manufacturer's tax" compilation substantially correct.

MATERIALS FOR FARM HOUSE. DOMESTIC MANUFACTURES.	Prices with Protec- tion	Prices with- out Protec- tion	Manu- factur- ers' tax.
6 m Feet Joints and Scantling.....	\$78 00	\$66 00	\$12 00
5 m Feet Flooring.....	80 00	60 00	20 00
1,200 Feet Common Boards.....	15 60	13 20	2 40
3½ m Feet Siding.....	77 00	70 00	7 00
12 m Shingles.....	30 00	25 80	4 20
25 Doors and Windows.....	150 00	130 00	20 00
450 Feet Base-boards.....	12 60	11 60	1 00
Front Stairs.....	45 00	35 00	10 00
Plaster, Lime, Hair and Lath.....	161 00	131 00	30 00
182 Feet Cornice.....	92 00	85 64	6 36
Paint	50 00	30 00	20 00
Glass	25 00	18 00	7 00
Total.....	\$816 20	\$676 24	\$139 96

MATERIALS FOR BARN.	Prices withPro- tection.	Prices without Pro- tection.	Manu- factur- ers' tax.
3,000 feet Siding.....	\$75 00	\$69 00	\$6 00
1,500 Rafters.....	22 50	21 00	1 50
300 Sills.....	4 00	3 40	60
300 Stringers.....	4 00	3 40	60
150 Plates.....	2 00	1 70	30
400 Posts.....	7 00	6 20	80
2,000 Sheeting.....	35 00	31 00	4 00
1,300 Upper Floor.....	33 00	30 40	2 60
2,500 Lower Floor.....	25 00	20 00	5 00
1,600 Lower Joists..	20 00	16 80	3 20
1,300 Upper Joists.....	16 00	13 40	2 60
2,000 Bin Lumber.....	50 00	46 00	4 00
16,000 Shingles.....	48 00	42 00	6 00
200 lbs Nails.....	6 00	3 50	2 50
Hardware.....	5 00	3 00	2 00
Total.....	\$352 50	\$310 80	\$41 70

FENCING. OUTSIDE.	Prices withPro- tection.	Prices without Pro- tection.	Manu- factur- ers' tax.
22 m Fencing Lumber.....	\$440 00	\$396 00	\$44 00
2 m Fence Posts.....	200 00	160 00	40 00
200 lbs. Fencing Nails.....	6 00	3 50	2 50
2 prs. Hinges.....	2 00	1 00	1 00

INSIDE.	Prices with Pro- tection.	Prices without Pro- tection.	Manu- factur- ers tax.
5 m Fencing Lumber.....	100 00	90 00	10 00
1 m Fence Posts.....	100 00	80 00	20 00
100 lbs. Fencing Nails.....	3 00	1 80	1 20
2 Pairs Small Hinges.....	1 50	1 00	50
2,000 lbs. Barbed Wire....	12 00	6 00	6 00
500 Pickets.....	5 00	4 00	1 00
300 ft. Planed 2x4.....	7 00	5 60	1 40
150 ft. Planed 12 inch lumber.....	2 50	2 00	50
20 Sawed Posts.....	5 00	3 50	1 50
Total.....	\$884 00	\$754 40	\$129 60

FARM MACHINERY.	Prices with Pro- tection.	Prices without Pro- tection.	Manu- factur- ers tax.
1 Wagon.....	\$75 00	\$60 00	\$15 00
1 Reaper.....	350 00	275 00	75 00
1 Mower.....	150 00	130 00	20 00
3 Breaking Plows.....	45 00	35 00	10 00
3 Double Cultivators.....	45 00	30 00	15 00
1 Harrow.....	10 00	8 00	2 00
1 Hay Rake.....	25 00	20 00	5 00
1 Wheat Drill.....	50 00	35 00	15 00
1 Corn Planter.....	25 00	20 00	5 00
1 Fanning Mill.....	25 00	20 00	5 00
1 Feed Cutter.....	15 00	12 00	3 00
1 Wheelbarrow.....	5 00	4 00	1 00
1 Grind Stone.....	3 00	2 50	50
Total.....	\$823 00	\$651 50	\$171 50

FARM IMPLEMENTS AND SUPPLIES.	Prices with Pro- tection.	Prices without Pro- tection.	Manu- factur- ers Tax.
3 sets dbl. Harness.....	\$100 00	\$75 00	\$25 00
2 Hatters.....	2 00	1 50	50
2 Bridles.....	2 00	2 25	75
2 Saddles.....	20 00	14 55	5 45
2 Hoes.....	1 50	1 20	30
1 Spade.....	1 00	70	30
1 Garden Rake.....	50	30	20
3 Pitchforks.....	4 00	3 00	1 00
1 Scythe.....	3 00	2 25	75

FARM IMPLEMENTS AND SUPPLIES.	Prices with Pro- tection.	Prices without Pro- tection.	Manu- factur'rs Tax.
1 Hatchet	50	35	15
2 Saws	2 00	1 25	75
1 Drawing Knife	1 00	65	35
2 Pumps	20 00	16 00	4 00
1 Axe	1 00	75	25
1 Log Chain	5 00	3 00	2 00
6 pr. Trace Chains	6 00	3 00	3 00
3 Double-trees and Whiffle-trees	2 50	2 00	50
1 Brush	50	38	12
1 Curry Comb	20	15	05
2 Files	50	36	21
20 Seamless Bags	5 00	3 75	1 55
1 Scoop Shovel	1 50	1 00	30
1 Basket	1 00	70	04
Total	\$181 70	\$134 09	\$47 61

HOUSEHOLD FURNITURE.	Prices with Pro- tection.	Prices without protec- tion.	Manu- factur'rs Tax.
1 Heating Stove	\$15 00	\$10 35	4 65
1 Zinc	1 00	60	40
6 Joints Pipe	60	34	26
2 Glass Lamps	1 50	1 03	47
2 Rattan Rockers	7 00	5 18	1 82
6 Wooden Chairs	3 00	2 22	78
50 Yards Carpet	40 00	30 00	10 00
10 Square Yards Oil Cloth	5 00	3 56	1 44
3 Bedroom Sets	75 00	55 55	19 45
1 Clock	4 00	2 96	1 04
6 Window Shades	3 00	2 07	93
12 Towels	4 00	2 96	1 04
1 Pair Scissors	50	37	13
3 Spring Beds	15 00	10 00	5 00
3 Wool Mattresses	15 00	9 09	5 91
6 Pairs Wool Blankets	18 00	11 25	6 75
50 Yards Sheetting	10 00	7 50	2 50
1 Dozen Comforts	12 00	10 00	2 00
2 Looking Glasses	5 00	3 12	1 88
3 Coverlets	3 00	2 25	75
2 Combs and Brushes	2 00	1 54	46
Total	\$239 60	\$171 94	\$67 66

KITCHEN FURNITURE.		Prices with-out Pro- tection.	Manu- factur's tax.
1 Cook Stove.....		\$18 09	\$12 00
1 lot Tin Cooking Utensils.....		2 07	93
2 Iron Kettles.....		1 30	70
1 Copper Kettle.....		2 07	93
6 Sheet Iron Pans.....		3 52	2 48
1 lot Iron Cooking Utensils.....		1 30	70
6 Ash Bucket.....		44	31
1 Joints Stove Pipe.....	60	35	25
1 Table.....	5 00	3 70	1 30
6 Chairs.....	3 00	2 22	78
1 Doz. Knives and Forks.....	3 00	2 22	78
2 Doz. Spoons.....	2 00	1 48	52
1 Butcher Knife.....	50	37	13
1 Coal Oil Can.....	50	34	16
6 Flat Irons.....	1 50	1 00	50
1 Wash Boiler.....	1 25	73	52
2 Tubs.....	1 50	1 11	39
2 Pails.....	60	44	16
1 Churn.....	1 00	74	26
6 Crocks.....	1 20	96	24
2 Washboards (zinc).....	70	42	28
2 doz. Dishes Asst'd.....	10 00	6 45	3 55
2 Table Cloths.....	3 00	2 22	78
2 lot Glassware.....	3 00	2 07	93
1 Glass Lamp.....	50	34	16
Total.....	\$85 60	\$55	\$29 74

HOUSEHOLDERS' WARDROBE.	Prices with Pro- tection.	Prices without Protec- tion.	Manu- factur's Tax.
1 Work Suit.....	\$7 00	\$4 73	\$2 27
1 Good Suit.....	20 00	13 52	6 48
1 Overcoat.....	15 00	10 15	4 85
*2 Flannel Shirts.....	1 50	86	64
2 Flannel Drawers.....	1 50	86	64
6 Wool Socks.....	2 00	1 14	86
1 Wool Hat.....	3 00	1 71	1 29
1 Wool Cap.....	1 00	57	43
1 pair Boots.....	5 00	4 00	1 00
1 " Shoes.....	3 50	2 80	70
1 " Rubber Boots.....	3 00	2 40	60
1 " Suspenders.....	50	36	14
1 " Buck Gloves.....	1 00	63	37
1 " Wool Gloves.....	50	29	21

HOUSEHOLDERS' WARDROBE.	Prices with Pro- tection.	Prices without Pro- tection.	Manu- factur'rs Tax.
1 Wool Scarf.....	50	29	21
1 Rubber Coat.....	3 50	2 69	81
1 Umbrella.....	1 00	66	34
3 Linen Hdfs.....	1 00	74	26
1 Silk Tie.....	50	33	17
1 Razor.....	1 25	83	42
1 Pocket Knife.....	1 25	83	42
1 Shaving Brush.....	35	26	09
1 Cake Shaving Soap.....	15	11	04
1 Neck Comfort.....	50	29	21
*4 Cotton Shirts.....	3 00	2 25	75
2 Pair Cotton Drawers.....	1 00	69	31
Total.....	\$78 70	\$53 99	\$24 71

HOUSEWIFE'S WARDROBE.	Prices with Pro- tection.	Prices without Pro- tection.	Manu- factur'rs Tax.
3 Calico Dresses.....	\$2 25	\$1 75	50
3 " Aprons.....	50	40	10
2 Woolen Dresses.....	16 00	9 40	6 60
2 Balmoral skirts.....	3 00	1 90	1 10
2 Cotton Skirts.....	1 50	1 25	25
2 Suits Flannels.....	3 00	1 71	1 29
2 " Cotton Underwear.....	2 00	1 42	58
3 pr. Cotton Hose.....	1 00	71	29
3 " Wool ".....	1 50	90	60
1 Woolen Cloak.....	12 00	8 11	3 89
1 " Shawl.....	6 00	3 21	2 79
1 " Hood.....	1 25	71	54
1 Straw Bonnet.....	1 00	77	23
2 pairs Shoes.....	4 00	3 20	80
1 " Rubbers.....	50	40	10
1 Parasol.....	2 00	1 60	40
1 Veil.....	70	46	24
5 yds. Ribbons.....	50	33	17
3 Linen Collars.....	50	38	12
3 prs. Linen Cuffs.....	60	46	14
3 " Handkerchiefs.....	75	55	20
1 Tuck Comb.....	25	18	7
1 Tooth Brush.....	35	27	8
1 pair Wool Mitts.....	50	29	21
1 " Gloves.....	1 25	78	47
Total.....	\$61 90	\$40 14	\$21 76

TWO BOYS' WARDROBE.		Prices with Pro- tection.	Prices without Pro- tection.	Manu- factur'rs Tax.
2	Work Suits.....	\$10 00	\$6 76	\$3 24
2	Good ".....	30 00	20 70	9 30
2	Overcoats.....	30 00	20 70	9 30
6	Flannel Shirts.....	6 00	3 42	2 58
6	White ".....	4 00	3 25	75
4	pairs Wool Drawers.....	4 00	2 28	1 72
6	" " Socks.....	2 00	1 14	86
2	" " Hats.....	4 00	2 28	1 72
2	" " Caps.....	2 00	1 14	86
2	pairs Boots.....	8 00	6 40	1 60
2	" Suspenders.....	1 00	72	28
2	" Rubber Boots.....	7 00	5 60	1 40
2	" " Shoes.....	4 00	3 20	80
2	" Wool Mitts.....	1 00	67	33
2	" Buck Gloves.....	2 00	1 25	75
2	Neckties (silk).....	50	33	17
4	Linen Handkerchiefs.....	1 00	74	26
2	Neck Comforters.....	1 00	67	33
Total.....		\$117 50	\$81 25	\$36 25

TWO GIRLS' WARDROBES.		Prices with Pro- tection.	Prices without Protec- tion.	Manu- factur'rs Tax.
4	Calico Dresses.....	\$3 00	\$2 50	50
4	" Aprons.....	1 00	85	15
2	Alpaca Dresses.....	18 00	10 60	7 40
2	Wool ".....	8 00	5 00	3 00
2	Balmoral Skirts.....	3 00	1 90	1 10
4	Cotton Skirts.....	3 00	2 00	1 00
4	Suits Flannels.....	5 00	2 86	2 14
4	" Cot. Underware.....	4 00	2 13	1 87
6	Pair Cot. Hose.....	2 00	1 42	58
6	" Wool ".....	3 00	1 80	1 20
2	Woolen Cloaks.....	30 90	20 28	9 72
2	" Shawls.....	10 00	5 33	4 67
2	" Hoods.....	2 00	1 20	80
2	Straw Hats.....	2 00	1 54	46
4	Pairs Shoes.....	8 00	6 40	1 60
2	" Rubbers.....	1 00	80	20
2	Parasol.....	3 50	2 80	70
2	Veils.....	1 50	1 00	50
12	Yards Ribbon.....	1 20	80	40
6	Linen Collars.....	1 00	77	23
6	Pair Linen Cuffs.....	1 20	92	28
2	Round Combs.....	30	22	8
6	Handkerchief.....	2 00	1 48	52

TWO GIRLS' WARDROBES.	Prices with Pro- tection.	Prices without Pro- tection.	Manu- factur'rs Tax.
2 Pairs Wool Mitts.....	1 00	57	43
2 " Gloves.....	2 00	1 25	75
2 Tooth Brushes.....	50	39	11
Total	\$117 20	\$76 81	\$40 39

DOMESTIC SUPPLIES.	Prices with Pro- tection.	Prices without Pro- tection.	Manu- factur'rs tax.
Sugar.....	\$1 00	68	32
Tea.....	50	50	.....
Coffee.....	50	50	.....
Molasses.....	50	40	10
Salt.....	1 00	74	26
Vinegar.....	50	37	13
Rice.....	1 00	43	57
Soda.....	25	14	11
Soap— Castile.....	25	16	9
Wire Clothes Line.....	2 00	1 00	1 00
Starch.....	25	13	12
Carpet Tacks.....	25	14	11
Nails.....	50	37	13
Thread.....	1 00	65	35
Needles.....	25	20	05
Pens.....	10	7	03
Ink.....	10	7	03
Paper.....	10	8	02
Pins.....	10	8	02
Hairpins.....	10	7	03
Glycerine.....	50	30	20
Total.....	\$10 75	\$7 08	\$3 67

SUMMARY.

MATERIALS FOR PERMANENT IMPROVE- MENTS.	Total amount without Manu- factur'rs Tax.	Manu- factur'rs Tax.	Amount paid on account of the Tax.
Materials for House.....	\$676 24	\$139 96	\$816 20
Materials for Barn	310 80	41 70	352 50
Materials for Fence.....	754 40	129 60	884 00
Totals.....	1,741 44	\$311 26	\$2,052.70
Increased cost on account of manufacturer's tax, 18 per cent.			

FARM MACHINERY AND SUPPLIES.	Total amount without Manu- factur'rs Tax.	Manu- factur'rs Tax.	Amount paid on account of the Tax.
Farm Machinery.....	\$651 50	\$171 50	\$823 00
Implements and Supplies.....	134 09	47 61	181 70
Totals.....	\$785 59	\$219 11	1,004 70

Increased cost on account of manufacturer's tax, 28 per cent.

FURNITURE.	Total amount without Manu- factur'rs Tax.	Manu- factur'rs Tax.	Amount paid on account of the Tax.
Household Furniture....	\$171 94	\$67 66	\$239 60
Kitchen Furniture.....	55 86	29 74	85 60
Totals.....	\$227 80	\$97 40	\$325 20

Increased cost on account of manufacturer's tax, 43 per cent,

ARTICLES OF DOMESTIC CONSUMPTION.	Total amount without Manu- factur'rs Tax.	Manu- factur'rs Tax.	Amount paid on account of the Tax.
Householder's Wardrobe.....	\$53 99	\$24 71	\$78 70
Housewife's ".....	40 14	21 76	61 90
Two Boys' ".....	81 25	36 25	117 50
Two Girls' ".....	76 81	40 39	117 20
Domestic Supplies... ..	7 08	3 67	10 75
Totals.....	\$259 27	\$126 78	\$386 05

Increased cost on account of manufacturer's tax, 49 per cent.

Now if after a scrutiny of the above items, those of our Illinois farmers, who, under the wholesome threat that the Confederate debt would be assumed and African slavery restored, have been induced to support the straight G. O. P. ticket, and to vote for congressmen supporting this double-

action system would take a look at their account books and see how much money they have spent for household goods, for farming utensils, lumber, etc., etc., during the high protection period, and deduct the percentage of the tax (the farmers usually not buying imported goods), the result would serve as an eye-opener to make clear to them, where the lion's share of the \$4,280,576,088 has gone. It would also give our Illinois farmer, more particularly, an inkling how it happened, that during the twenty years of protection, the manufacturing but naturally poor commonwealth of Massachusetts accumulated twice as much wealth as did his own State, while during the ten years preceding, when the low tariff system prevailed, the wealth of Illinois had trebled, that of Massachusetts only increasing fifteen per cent.

And after a careful "rekonin" it might, perhaps, dawn upon our farmer that for every dollar's purchase made for his household and farm he has been paying fifty cents more for the benefit of somebody else. Should he "figger" a little further and add up these extra fifty cents on these dollar purchases during the twenty years of protection, he would doubtless find that the sum total exceeds the amount he was compelled to borrow from a New England Loan and Trust Association to keep going, and that, consequently, but for this extra tax he would have a small amount of savings in his little tin box instead of a copy of a good-sized mortgage upon his farm.

This might set him to thinking also where that "Boston money" all comes from, since he has never heard of gold or silver mines, or, in fact, of any other great natural resources in any of the New England States—ice and seaweed excepted.

If after considering these things our Illinois farmer

has a thimble-full of brains left, he will perceive that, while this "home market" theory is undoubtedly a very "soft thing" for his New England brethren, it is an exceedingly "hard thing" for him. It might then, also, occur to him that in voting these long years for the men "who saved the Union," for "protection to home industry" and such balderdash, he has been voting a good share of the proceeds of his own "industry" into the pockets of the eastern manufacturers.

Now, if this system had the indemnifying effect of enhancing the price of things the farmer has to sell correspondingly with the price of things he has to buy, this extra burden would not be so oppressive to bear; but the very opposite has always been the effect of the protective tariff in this country.

The market reports of the leading daily and commercial papers of the country for the last fifty years show, that the introduction of high protective tariffs was invariably followed by a reduction in prices of farmers' products, while under the low tariffs the prices increased.

From 1842 to 1846, for instance, when the tariff was excessively protective, the average price of wheat was eighty-two cents and corn forty-eight cents per bushel. From 1846 to 1850, under the low tariff system, wheat averaged \$1.10 and corn fifty-seven cents. But on the 6th of July, 1887, after a quarter of a century of high protection, the price of red winter wheat, which had been declining from year to year, was quoted in the Chicago market at seventy cents and corn at thirty-nine and one-half cents per bushel.

Then there is the item of transportation which bears heavier upon the western farmer than upon any other industry. Low freight means high returns to the farmer,

and every species of taxation, every public measure which, directly or indirectly, enhances the cost of transportation draws directly upon the pocket of the farmer.

Volumes have been written and thousands of speeches made, and perhaps justly, about overcharges by railroads and their large dividends upon watered stock. Farmers themselves have organized into innumerable granges in order to more effectually resist the extortions of railroad monopolies, and last, but not least, Congress has called into existence an Inter-State Commission to keep the transportation companies within bounds. But very little if anything has been said about the fact that these companies were prevented by the United States government in the first place from building their roads with as little expense as possible.

In 1880 we had 115,000 miles of railroads, 80,000 of which have been built under high protection for the Pennsylvania iron-masters. One hundred tons of rails are required for each mile of road, upon which a duty of \$28 a ton was collected, making the increase paid \$224,000,000. The duty on the finer iron entering into the manufacture of the rolling-stock of the roads has been estimated as large as the duty on the rails, thus enhancing the cost to \$448,000,000. Taking the duty for the iron used in building bridges and the increased cost on tools and articles consumed by laborers, we have a grand total additional expense of \$800,000,000, upon which at least the interest of \$50,000,000 has had to be paid annually in enhanced freight by the farmer.

While the farmers are thus steadily and systematically bled to death, the great bulk of their products is sold both in Europe and in the home market at prices fixed in London and Liverpool. Should any of them be

in doubt upon the point, let him for a few days examine the market reports of Liverpool and London and compare them with those of New York and Chicago.

But all these evils and exactions which the farmer has borne for twenty-five years are insignificant compared to the disastrous consequences which are in store for him, and which must inevitably result from this short-sighted, Chinese-wall policy of isolation. England, with whom we have persistently refused to trade upon an equitable basis, has been looking elsewhere for her bread-stuff supply, and finally has found it in her own colonies, the East Indies and Australia. Eight years ago the shipment of wheat from India was too small to be quoted at Liverpool, but it has increased from year to year until now it reaches the enormous figure of sixty millions of bushels per year, and while it costs our western farmer from thirty to thirty-five cents to raise a bushel of wheat, the cost of production in India is less than twelve cents a bushel.

From the statement of the British-India office, dated Calcutta, February 12, 1886, in reference to the prospect of the wheat crop for 1885-6, it appeared that the wheat area contained nearly 25,000,000 acres. As a natural consequence of this additional source of supply our wheat export has steadily decreased for the last six years, and so has the price.

Under such circumstances it is but natural that the land itself upon which these depreciated products are raised is diminishing in value. It is a fact known by every farmer in the west, that since 1870 the value of farm-land in the western states has steadily decreased. The *Chicago Herald* recently compiled a most interesting and comprehensive table from the last United States census. It contains the statistics as to farm values, acreage, and popula-

tion of the states of Ohio, Indiana, Illinois, Wisconsin, Michigan, Minnesota, Iowa, Nebraska, Kansas and Missouri. The (1) line shows number of farms, (2) total farm acreage, (3) their improved acreage, (4) actual value, (5) population:

	1850	1860
1.....	441,597	972,132
2.....	62,286,490	107,823,142
3.....	26,683,000	52,302,000
4.....	\$751,719,000	\$2,129,803,000
5.....	5,463,587	9,091,879
	1870	1880
1.....	1,123,358	1,680,533
2.....	138,912,893	203,181,501
3.....	77,967,000	135,687,000
4.....	\$4,312,415,000	\$4,596,041,000
5.....	12,961,930	17,228,934

No question can be raised about these figures except as to the land valuation of 1870. For that year the average gold premium is stated at 25.3 per cent, and on them had doubtless some effect. But in these states the increase in that period was mainly due to immigration and to the return of the dismissed armies with their pockets full of money. To concede a 5 cent gain for the premium is more than any theory or any figures will justify; but that conceded, and the calculations on that basis for the land values of 1870, these are the deductions from this table: The (1) line shows the farm value in them per head of population, (2) the average value of the farm, (3) their average value per acre, (4) the average size of the farms, (5) the average on them of improved acres, (6) the proportionate value of the improved acres, regarding that value as labor's reward for opening the farms:

	1050	1860	1870	1880
1.....	\$139.00	\$234.00	\$323.00	\$266.00
2.....	\$1,702.00	\$2,191.00	\$3,743.00	\$2,734.00
3.....	\$12.12	\$18.41	\$30.28	\$22.61
4.....	141	119	123.6	120.9
5.....	60.4	53.8	69.4	80.7
6.....	\$27.10	\$53.60	\$40.70	\$33.80

Each of these decades has its own showing. The first shows throughout the great region of these agricultural states the effect on land values of a moderate tariff. The second is complexed with the effects of the war. The third shows, these effects having ceased to be operative, how the wealth of the land was slowly but surely absorbed by the "manufacturing centers." The demonstration is conclusive. Its method any schoolboy may follow and verify. No farmer will ponder long before his mind is made up.

In the ten years when the tariff was for revenue, every \$100 in farm values per head of the population grew to \$168.30. Ten years of protection left it but \$82.40, a loss of \$85.90 in land values in all these states for every living person now in them. Fifty-one per cent of what would, under equal law, have been the values of the farms, has been absorbed by the "manufacturing centers" of protection.

For every \$100 in the farms, commercial freedom allowed an increase to \$129.20, and protection discounted it to but \$83. To every \$100 of acre value, free trade added \$61.90 and protection took off \$28.60, and of every \$100 labor for those ten years added a value of \$90.70, while protection left the same \$100 but \$83.10. The aggregate of the loss may be approximated, 203,181,501, but for the drain of "protection" would have held their own in value certainly with the 138,912,893 of 1870. They would then have been worth \$6,152,335,000. But the gain shown between 1850 and 1860 is more probable. Then the beggerly increase of 9.2 per cent in ten years, with a population increased 33 per cent, and man's power as a wealth producer from the land more than doubled by machinery, the 68 per cent increase of those ruder days,

between 1850 and 1860, must be a reasonable estimate. In that case the loss by protection in the value of these farm lands was \$2,471,424,000."

The same deplorable state of affairs prevails among the farmers in the Eastern States, principally that of New York and those of New England. Next to Pennsylvania, no state with enjoys greater natural advantages than New York. It has numerous waterways and railroads, insuring ready transportation; the state is dotted over with large manufacturing centers, and the great commercial city of New York offers the farmer as steady and as profitable a market as is offered to any other farmer in the country. It would seem that if the home-market furnishes the agriculturist advantages anywhere, it would be in the Empire state.

These great advantages notwithstanding, it is of common report that, pecuniarily, the farmers of that state are to a large extent in a very precarious condition, and that every branch of husbandry is languishing. Investigations made by local agents, selected by the national department of agriculture, disclose the fact that three-tenths of the farms in the state are mortgaged, on an average, for two-thirds their value, and that one person in every twenty is hopelessly in debt. Farm property in favored localities has declined in value full thirty-three per cent during the past ten years. Many farms bought on time, on which half the payments have been made, would not sell for enough to pay the money still due on them.

One-third of all the farms in the state would not bring enough to pay the cost of the buildings and other improvements on them. A good farm and house will bring a smaller cash rent than the house would if it were in the nearest village. The farms are very few that pay

three per cent on their value over and above all expenses. Many farmers are anxious to sell out and to invest their money in securities that pay four or five per cent interest. In many sections of the state farm buildings and fences are fast going to decay and no improvements are being made. An end has apparently come to making new farms in the wooded region in the northern part of the state.

Some writers for the New York City press represent the condition of the farmers of the state as much worse than that given above. They declare that there are entire farming towns that would not sell for enough to pay their indebtedness; one of them says:

“Only a few of the farms of this state appear to be fairly prosperous. Among them are those who are able to work their places without the aid of hired help, and those who have some money invested in manufacturing interests, saved when farm products commanded a better price. As a business in which it is profitable to invest capital and employ a large number of men, farming in the Empire state has disappeared. The depression in agriculture is as great in New York as in any state in the Union, though there are hundreds of factory towns, and people, or “home market” enough to consume twice as much food as is produced. Apparently, the farmers of New York are being ruined by the protection given people engaged in other industries.”

And what is the state of the farmers of New England, the different states of which are bristling with manufacturing establishments, where nearly every farm is within hauling distance of some great cotton or woolen mill, and where the “home market” ought to be profitable if anywhere?

The Springfield *Republican*, of Massachusetts, one of the best informed and most reliable newspapers of the country, in a recent article on the effect of protection upon the farmers of New England, says :

“Agriculture, as a fairly profitable industry, has come to be practically unknown in a great many sections of New England. The business flourished in 1860, reached its culmination at the close of the war, and has been running down hill ever since. Perhaps a majority of farmers are gaining little more than a plain livelihood. Farming property generally has been greatly depreciated, and deserted or mortgaged farms, especially in the hill towns, are getting to be the rule rather than the exception. And not even the richer river valleys have escaped the blight. From no section of New England comes a louder and better substantiated complaint of long hours and profitless labor than from the farmers within easy access of Springfield.

What is the matter? Chiefly burdensome taxation imposed by a high protective tariff, and inability to compete with Western products brought into our market by low through-freight rates. . . . Our farmers once kept considerable flocks of sheep for the wool, but the government put a high tariff on this product and the flocks at once disappeared to the Western prairies and ranch lands, free of cost price and free of taxation, where syndicates monopolized the industry.

We have then, as a result, for New England, farms already nearly profitless and rapidly declining. In the fairest sections of Vermont, in towns like Ludlow, where manufacturing villages afforded a possible market for farm products from a rich river valley, agricultural property has depreciated fifty per cent since 1860. In that same town of Ludlow are at present twelve deserted farms.

and one of the petitions to the last legislature was that anybody who would occupy these farms might be exempted from taxation for a term of years. If the town of Ludlow suffers to such an extent, what must be the state of agriculture in the back towns of that state? Census reports for the last four decades show that agricultural wealth in that state since the war has been declining rapidly. So it is in all the New England States, save, perhaps, Rhode Island."

This, thanks to the protective system, is to-day the sad condition of an industry to which its stump orators "point with pride" as the foundation and main pillar of our national edifice.

Before and during the war, these farmers were among the most prosperous people in the country, and such encumbrances as mortgages upon their lands were hardly known. During and some years after the war, when money circulated freely, they realized good prices for their products. The government was in need of large sums of money, and, with other patriotic citizens, the farmers willingly submitted to the most exorbitant rates of direct and indirect taxation, not questioning the reasonableness of the amounts nor the methods of raising them. It never occurred to them that they were being saddled with a system of Federal taxation by which they were being made the main contributors to the accumulation of immense private fortunes. But there came a time when money did not continue to be so abundant, and prices in farming products began to decline. Hard times came; nothing protected the farmer against low prices in the world's market; against the uncertainties and inclemency of the weather, poor crops, etc. To the contrary, his burdens were increased by the government; the iron grip the manu-

facturer had fastened upon him during the war, and under the pretext of government necessities, was rather tightened than relaxed. The armies of the Union had been disbanded; the taxes on such luxuries as whisky and tobacco reduced one half; the bankers were relieved of stamp taxes. In fact almost all internal revenue taxes were wiped out, and the income taxes, obnoxious to the rich only, were removed. But the taxes upon the daily wants of the farmer were steadily maintained. This process of receiving little and paying out much, carried on for twenty years, could not logically end but as it has, in disaster to every agricultural interest.

EFFECT OF PROTECTION ON THE WAGES OF LABOR.

OF all the various questions entering into this tariff controversy the question of the wages of labor is undoubtedly the most important. There is no better evidence of the general prosperity of a country than the fact that there is work at remunerative wages for every person desiring work. If it were true that a tariff on imports could be so constituted as to secure to the working-men of this country steady work at living wages, there would be little opposition among the people to the existing high tariff.

Protection was not always demanded in the interest of American labor. At the beginning it was asked to make America, industrially, independent of Europe. The next pretense was to shield the dearer capital of the United States invested in manufacture against the cheap capital of Europe. Industrial independence having since been fully secured, and the plea of cheap European capital being too plainly in the interest of the manufacturer, these pretenses were abandoned and that of "protection for American labor against the pauper labor of Europe" adopted.

Of all the devices to increase the profits of the manufacturer this last pretext has proved the most effective, as pretexts always will prove which are based upon the prejudices, ignorance and stupidity of man. If it were true that the low or revenue tariff system is detrimental to labor, and the high protective system is beneficial,

then these relative effects must necessarily be similar wherever the one or the other prevails, or, in other words, if the assertion of the protectionist is correct, wages ought to be low in low tariff countries and high in high tariff countries.

If it were true that the high protective system has the effect of increasing the wages of labor in the United States, where work is more abundant and competition among laborers less, this beneficent effect ought to be still more apparent in countries where work is comparatively scarce and labor abundant. Consequently, the wages paid to labor in Germany, France, Italy and Spain, where high protective tariffs prevail, should be higher than in England, where every protective feature is eliminated from the tariff, and in China, where foreign imports are almost wholly prohibited, the wages of labor ought to be highest. The singularity of the very contrary effect, however, must be apparent to the most obtuse "protectionist's" mind.

Thus it appears that in China, where the "home industries" are protected by a high stone wall against the "pauper labor" from all other countries, the wages of labor is so low that the monthly earnings of a Chinese laborer would hardly cover the expenses of one square meal for one of our Pennsylvania protectionists. In Germany, with a higher tariff than France, the average standard of wages is below that of the latter country and not so high as in Belgium, where a tariff for revenue only is laid, and only about one-half as high as that of free-trade England. In Italy and Spain, with almost prohibitory tariffs, wages are lower than in Germany.

The following table of wages paid weekly in the different European countries is to be found on page 2388,

vol. II, of the report of the United States Tariff Commission:

OCCUPATIONS.	GERMANY. Protection.	FRANCE. Protection.	BELGIUM. Free Trade.	ENGLAND. Free Trade.
Bricklayers	\$3.45	\$4.00	\$6.00	\$ 8.12
Masons	4.00	5.00	6.00	8.16
Carpenters	4.18	5.42	5.40	8.25
Painters	4.60	4.90	4.20	7.25
Plasterers	4.35	.....	5.40	8.10
Blacksmiths.....	3.90	.....	4.40	8.12
Cabinetmakers	4.95	.....	4.80	7.70
Dyers.....	3.30	.....	.....	7.00
Weavers	3.00	.....	.....	5.40
Grinders in glasswork.	4.87	.....	.....	10.92
Common laborers.....	2.60	.....	3.00	5.00

The industrial history of England furnishes the most conspicuous example in proof that the protective policy is rather injurious than beneficial to labor.

Fifty years ago, under the restrictive system, her workers did not receive two-thirds the wages of what they are receiving to-day.* But the most striking feature in this rise of wages is the fact, that the wages of labor employed in the

*COMPARISON OF WAGES IN GREAT BRITAIN FIFTY YEARS AGO AND AT PRESENT TIME.

[From "Miscellaneous Statistics of the United Kingdom," and Porter's "Progress of the Nation."]

OCCUPATION.	PLACE.	Wages Fifty Yrs. Ago. per week.	Wages Present Time. per week.	Increase. Amount. Per Cent.
Carpenters.	Glasgow.....	14s	26s	12s (plus) 85
Bricklayers.....	"	15s	27s	12s (plus) 80
Masons.....	"	14s	23s 8d	9s 8d (plus) 69
Pattern weavers	Huddersfield.	16s	25s	9s (plus) 55
Weavers.....	"	12s	26s	14s (plus) 115
Warpers and beamers.....	"	17s	27s	10s (plus) 58
Winders and reelers.....	"	6s	11s	5s (plus) 83
Weavers (men).....	Bradford.....	8s 3d	20s 6d	12s 3d (plus) 150
Reeling and warping.....	"	7s 9d	15s 6d	7s 9d (plus) 100
Spinning (children).....	"	4s 5d	11s 6d	7s 1d (plus) 160

cotton and woolen industries has much more than doubled during the last fifty years. The export value of the cotton and woolen products amounted to the enormous sum of \$534,000,000, which plainly shows that labor must look for steady work and higher wages to an extended instead of a restricted market.

Notwithstanding the fact that the English manufacturers pay double the wages of their German competitors, and in the face of the high duty put upon their products by the German government, English goods are sold in Germany in competition with her own low-wage goods, and we have not heard of any English manufacturer asking to be protected against the "pauper labor" of Germany? And why? First, because Germany has not kept pace with England in industrial progress and because of the established fact that a high rate of wages insures higher efficiency in labor.†

COMPARISON OF SEAMEN'S MONEY WAGES IN GREAT BRITAIN PER MONTH AT 1850 AND THE PRESENT TIME.

[From the "Progress of Merchant Shipping Return."]

	1850, Sailing.	Present Time, Steam.	INCREASE.	
			Amount.	Per Cent.
Bristol	45s	75s	30s	66
Glasgow	45s	70s	25s	55
Liverpool (1)	50s	67s 6d	16s 6d	33
" (2)	50s	85s	35s	70
London	45s	75s	30s	66

†The rate of wages will always be found to be the productiveness of the wage-earner. It must always be borne in mind that the great law of average governs this as well as every other problem in this world. No two workmen, even working side by side, will receive precisely the same wages in proportion to the amount of their respective productions. Their wages may be exactly the same, but their production will differ more or less. So, when two men work

On the other hand, American wheat and pork produced by unprotected labor are sold at a profit in France and Germany against all other countries, although these countries have laid discriminating duties upon these products.

In the United States the standard of wages has always been higher than in Europe, under both high and low tariffs, or without any tariff, as was acknowledged by Mr. Hamilton himself in his famous report on manufactures, long before the laying of any tariff. The causes are entirely disconnected with the tariff and absolutely exceptional. In the first place, the very newness and vastness of our domain, the daily opening of new fields of agriculture and of new mines, the building of new railroads, of canals and other waterways, the laying out of new towns and cities, but principally our free institutions, produce conditions favorable to labor not prevailing in any other country on the globe, Australia, also a new country, perhaps excepted. It necessarily follows that labor is here in greater demand than elsewhere, and more especially in unprotected industries, such as agricultural and domestic help, labor in the building trade, in transportation, etc., etc., where the demand is generally in excess of the supply. Consequently, the wages must, in the average, be higher than in other countries where no such exceptional conditions prevail.

In the second place, these higher wages are not

side by side, one receiving two dollars a day and the other three dollars, the amount produced by the latter will not necessarily, or even probably, exceed the amount produced by the former by the exact difference in their wages, or in the exact proportion. But if we could ascertain the exact productive value of 100,000 laborers at two dollars a day each, and of another 100,000 at three dollars a day each, we should most certainly find that the productive value of the higher-paid class exceed that of lower-paid class by more than fifty per cent.

THOMAS A. SHEARMAN.

secured or maintained (most particularly in protected industries) by the voluntary action of the protected bosses, but through the compulsory agencies of organized labor. With the exception of our agriculturists and common laborers, there is hardly a branch of industry or trade in the United States the laborers of which are not organized, and it is to these organizations, and not to the government, that the American working-men are looking, and are compelled to look, for protection.

Mr. Powderly, the head of the organization of the Knights of Labor, in a paper explaining the reasons for founding this order, says:

“The principal object of the trades-unions was to regulate the rate of wages.”

“The fierce competition,” exclaim the Commissioners of the Illinois Bureau of Labor Statistics, in their report for 1886, “begotten of a desire for great and sudden riches, has in later years driven multitudes of men into organizations, who began life with the belief that their individual effort was guarantee enough for their industrial freedom and prosperity.”

In another part of the same report the commissioners continue:

“Under primitive conditions men only have what they can get and hold by force; so labor has fought for all it has and retained it only as long as the struggle was in its favor. By this sort of experience the organizations have come to look upon force as the only agency through which to hope for any recognition. If the time shall ever come when another principle shall be recognized, and *might shall no longer be constituted right*, no doubt all organizations will alike cheerfully lay off their armor and devote their energies to higher and worthier objects.”

But skilled labor, which thus protects itself, also implies superior intelligence and ingenuity. A skilled iron-worker, for instance, thrown out of employment in his particular branch of manufacture, will readily adapt himself to almost any kind of work in the iron trade. Skilled labor in manufacture has this additional advantage over the unskilled, that it is necessarily limited in quantity, owing to the continual expansion of manufacture, and will always remain limited. Skilled labor in factories is, therefore, especially interested in not having the market for its product restricted, but in having it as much as possible enlarged and increased. A largely increased demand of products from anywhere necessarily enhances the value of skilled labor and, consequently, its remuneration, and any law restricting the sale of its products, at home or abroad, is a law for the depreciation of the value of skilled labor and the consequent lowering of its wages.

The rate of wages of unskilled labor, which is beyond the control of labor unions, and is entirely subjected to the law of supply and demand, generally is about the same in any one section of the country, but varies greatly between the sections. The standard of these wages in some localities and for certain periods is much higher than in others; in New York, for instance, it is lower than in Chicago, or lower in Massachusetts than in Iowa, or vice versa, a circumstance which plainly shows that labor is not affected by the tariff on imports, but is subject to the law of supply and demand. At one time New York may be overflowing with unskilled labor, while Illinois is in want of it; but the process of equalization is slow and often difficult, and, while in the former State plenty of labor can be had at \$1 per day, it may be scarce in Illinois at \$1.50. The great bulk of unskilled labor in

the different sections of the country is employed upon the farms, or in the construction of railroads and in transportation, and it may be said that the average wages paid in these branches of industry is about the standard of wages paid to unskilled labor in all other occupations in their respective sections of country. It cannot be otherwise, because labor, like water, seeks its level.*

Owing to its superior effectiveness, skilled labor in the cotton, woolen and silk factories in the United States practically *earns* higher wages than similar labor in Europe. It has been ascertained that in our cotton mills, for instance, the operatives produce one-third more cotton goods per day, in the average, than the operatives in English factories, and almost four times as much as the factory hands in Germany. The wages of skilled labor in factories also varies more or less, according to circumstances, which shows that, outside of the causes given above, calculations or generalizations upon this or that theory are unsatisfactory and not conclusive.

The absurdity of the claim that protection has the effect of enhancing and of regulating the rate of wages is admirably illustrated by the following table, computed by Mr. Nordhof from the last census report, showing the yearly earnings of the cotton and woolen operatives in the different sections of the country. In woolen mills the average yearly earnings are as follows:

*The difference in wages in the same industries in different sections of the United States is well illustrated in the following returns of wages in the iron industries of different States, made under the census of 1880: Unskilled labor in blast furnaces in Virginia, eighty-two cents per day; in Alabama, ninety-eight cents; in Pennsylvania, \$1.09, and in Missouri, \$1.29. Skilled labor in iron rolling-mills in Alabama, \$2.25 per day; in Massachusetts, \$2.70; in Pennsylvania, \$3.03; in Ohio, \$3.87, and in Kentucky, \$4.62. The yearly average wages in the aggregate iron industries of the different sections of the United States is reported as follows: Eastern States, \$417; Western, \$396; Pacific, \$354; Southern, \$304.

DAVID A. WELLS.

Connecticut.....	\$335	New York.....	\$285
Maine	320	New Hampshire.....	280
Pennsylvania.....	300	Vermont.....	270
New Jersey.....	300	Indiana.....	230
Massachusetts.....	320	Ohio.....	196

In cotton industries they are as follows :

New Hampshire.....	\$255	South Carolina.....	\$190
Massachusetts	251	Maryland	188
Rhode Island.....	250	Georgia ..	180
Pennsylvania.....	250	Tennessee.....	166
Ohio.....	250	Alabama	160
Connecticut	242	Virginia	150
New York.....	281	North Carolina...	135

Why is it that the operatives in the cotton-mills of Maine, New Hampshire and New Jersey earn upon an average \$255 a year, while those in the great and flourishing State of New York receive only \$218, those in Virginia \$150, and those in North Carolina must content themselves with the "pauper wages" of \$135 a year? Why is it that the woolen-mills of Connecticut pay their operatives \$335 a year on an average, while those in "wool-producing" Ohio pay theirs but \$196? We don't know that there is any more protection for cotton goods manufactured in Virginia and the Carolinas than for those manufactured in Maine, Connecticut and New Jersey, nor is it clear why the workmen in the woolen-mills of the State of Ohio, where both raw wool and the manufactured fabric are highly protected against the "pauper product" of Europe, should earn a little more than half the wages of their fellow operatives in the wooden-nutmeg State.

Thus do these census figures furnish undisputed proof that the tariff upon imported goods has nothing whatever to do with the rate of wages, but that it is dependent altogether upon other causes, the chief of which is "the law of supply and demand" and the greater or less effectiveness for organized labor.

This inequality of wages in the different sections of the country may also be only apparently so. It may be that if rent and household expenses necessary to support his family are considered, a man earning \$280 in New Hampshire can live as comfortably as the other who earns \$335 in Connecticut, and the man who earns \$218 in New York may not live so well as the other who earns but \$160 in Tennessee. But the main cause of this inequality is probably to be found in the circumstance that the labor of these low-wage factories is chiefly composed of females and children. This helpless class is more easily imposed upon, cannot migrate and has less power of resistance than men.*

Again, an important factor which is generally ignored in the discussion of the question of labor is that of changing occupations.

This shifting of labor from one occupation to another is peculiarly American. It is a well-established fact that no people adapt themselves so readily to a change in the pursuits of life as the Americans. This circumstance is probably attributable to her free institutions, which are unexceptionably favorable to the development of individ-

*In our cotton-mills, especially, the women and children largely exceed the men, being often from two-thirds to five-sixths of the whole, and the proportion of them is steadily increasing. And what are these women and children but the very weakest and most dependent of all the people? They have no disposition to agitate. They have no power to change any existing condition of society if they would, and their minds do not work in that range, if they could. All that is possible to them is to toil and scrimp and bear. Now, for men, the strong, those who bear rule, the sovereigns of the land, the hours of labor are but ten all over the country, in about every employment where they preponderate. But where the women and children preponderate, the hours of labor, as a rule, are eleven or more. And the question is, why is it, in this land, which aims for equality and justice, that the weakest, the most helpless and dependent, are loaded with the burden of the more hours, while the strong, the able to bear and the controlling, only have the less hours to work? And this question, which an operative whispered in our ear in a private room, we have taken the liberty to utter aloud. — *Report of Massachusetts Labor Bureau.*

ual genius, skill and enterprise. It may be said that of all our most successful business men who have reached the age of fifty, not one in twenty has continually followed the trade or occupation he started out in when young. If one kind of business or occupation does not prove remunerative, the American will not lose his time and money waiting for better times, or, Micawber-like, "for something to turn up," but will immediately cast about for something that will pay, continuing to do so until he finds the occupation that is satisfactorily remunerative. Such changes often cause personal inconvenience and even hardship. But this trouble is only temporary. It is this very display of individual energy and self-reliance which has given to the American world-wide renown.

This spirit of enterprise and independence is not confined to business men by any means, but is found among all classes and occupations, from the farmer to the clerk in the counting-room, from the mechanic in the shop to the commercial traveler on the road, and it is this characteristic trait which renders the shifting of labor in any trade or industry from one occupation to another comparatively easy in this country.

Unskilled labor experiences the least difficulty in changing occupations. The main difficulty lies in the expense of travel from one section of the country to the other. If this obstacle could be overcome it would matter very little to the man who handles the shovel, the spade or the ax whether he exerted his muscular power and dexterity in a rolling-mill, in a factory, in the building trade, in digging trenches in our cities, in throwing up railroad embankments, in cutting wood and making hay upon the farm, or in performing any other manual labor

incident to the various interests in this vast and busy country. And yet, in the face of this wonderful quality of adaptation, we are constantly told by our protectionists "if you lower or remove the tariff from such and such commodities thousands of operatives will be thrown out of employment," conveying the inference that in such event there is an end to all employment, and these unfortunates will be thrown upon the cold world to beg or to starve, or be compelled to go to farming!

Such statements are made by interested parties before the Ways and Means Committee of the American House of Representatives under oath, and upon such random statements the fiscal legislation of the country is carried on.

A case in point is that of Mr. William H. Lee, a pig-iron manufacturer in St. Louis, who testified in 1881 before the United States Tariff Commission concerning the effect of the protective system upon the pig-iron industry. One of his statements was that "the doing away with the tariff on pig-iron would put five hundred thousand or six hundred thousand men now engaged in the manufacture of pig-iron to raising corn; would take that number of men out of the market as *purchasers of corn*, with the fall of the price of corn as the natural result."

In the first place, there is not one-fourth part of the number stated by Mr. Lee engaged in the manufacture of pig-iron and iron-ore mining put together. From the last census report it appears that 159,529 persons were employed in the manufacture of iron and steel, 33,286 in hardware and cutlery, 145,351 in machinery and 26,248 in tin, copper and sheet-iron, or 364,414 persons in all. The whole number of persons employed in the mining of iron-

ore and the manufacture of pig-iron is probably not more than 160,000.

But what of the other two hundred thousand men who are employed in the various branches of iron and steel manufacture? Is it probable, if the manufacturers of machinery, hardware and cutlery, of tin and sheet-iron, etc., etc., could purchase their crude material forty-five per cent cheaper than they do now, in which case they might advantageously compete with foreign manufacturers, this would have the effect of throwing their operatives out of employment?

But let us suppose the most improbable thing that could happen, to-wit: that the placing of pig-iron on the free list would throw 150,000 men out of employment. Why should they go to raising corn? Would any manufacturer, in case his pig-iron establishment were to be shut up, invest his capital in the unprofitable business of raising corn? Of course not. If he found that the government of the United States had ceased meddling with the iron business, or had stopped lending its taxing powers to private concerns, he would, like every other sensible business man, content himself with smaller profits, or, if unable to stand alone, seize upon one of the thousands of favorable opportunities which are continually open to the thrifty and industrious in this vast country, and invest his capital in some enterprise that did not need any other aid than his own energy and sound judgment. In that case, he might, perhaps, give to some of those 150,000 men thrown out of the pig-iron business more permanent and remunerative employment than they had before. If not, some of them, if they felt so inclined, might go into raising corn, but all would probably show as much good sense

as their former employers, and go to work where plenty of employment at living wages was to be found.

But if any reliance can be placed in the figures of the United States Census Report, the pecuniary condition of these iron-workers would be improved rather than impaired by a change of occupation. From this report it appears that the earnings of the toilers in this branch of our protected industries do not exceed the munificent sum of \$325 a year in the average. Some of these, in their march west in quest of a patch of land for the raising of corn, might stop half-way, in Illinois, for instance, and find work in some industry or trade which never asked for protection, nor cared to be protected, and get better pay and more permanent work than they had in the iron business; as, for instance, in any one of these enumerated in the following list of unprotected occupations, as found in the report of the Bureau of Labor Statistics of the State of Illinois, for 1885.

AVERAGE YEARLY WAGES.

Barbers.....	\$ 566	22	Laborers.....	\$ 344	59
Baggagemen.....	540		Lumber-shovers.....	454	71
Blacksmiths.....	622	35	Millers.....	872	
Blacksmiths' helpers..	470	86	Painters.....	503	10
Brakemen.....	508	60	Paper hangers.....	601	50
Bricklayers.....	637	60	Plasterers.....	625	69
Brickmakers.....	416	80	Plumbers.....	581	14
Bridge builders.....	737	40	Printers.....	654	50
Butchers.....	514	70	Quarrymen.....	400	60
Carpenters.....	552	44	Stonemasons.....	467	21
Clerks.....	640	83	Stoncutters.....	627	07
Coopers.....	432	18	Street-car conductors..	698	40
Draughtsmen.....	860	66	Street-car drivers.....	638	45
Locomotive engineers..	1020	17	Switchmen.....	622	66
Locomotive firemen...	670		Telegraphers.....	755	
Hod-carriers.....	346	66	Teamsters.....	459	97

Thus, it would appear that the hod-carrier, who is constantly exposed to the competition of the "pauper labor" from Europe, earns \$21 more than the iron-worker

whose product is protected fifty per cent in the average. The common laborer in Illinois earns \$19 more, the blacksmith \$297, and his helper \$215 more, the street-car driver earns nearly twice as much and the ordinary teamster $1\frac{1}{2}$ as much as the hard-working pig-iron man.

This scale of wages in the various unprotected trades and occupations in the State of Illinois does not materially differ from that in any of the other Western States.

But neither the iron-worker nor any of the workmen employed in our manufacturing industries need leave their shops and go to farming, or change their occupation for that of blacksmithing, shaving or bricklaying. All that is necessary for them to do is to compel their representatives in Congress to remove the onerous taxes on the raw material of the American manufacturer, and to lower them on the necessities of life. In that case our manufacturer will be enabled to compete with his foreign competitor, and by adapting his methods to the wants of the foreign consumer will secure a share of his trade, and, consequently, additional work for his employes.

EFFECT OF PROTECTION ON LABOR IN PROTECTED INDUSTRIES.

PROTECTED industries are industries whose products are protected by a tariff on imports against similar products of foreign manufacture.

Whatever may be the pretext, protection is demanded by the manufacturer or mine owner for his product against the cheaper product from abroad. Consequently, the only labor which can possibly receive any benefit from that system is the labor which is employed on industries the products of which are exposed to foreign competition. All other labor, otherwise employed, is necessarily excluded from these supposed benefits. I say "supposed" because it is not real, the benefits, if there are any, all going to the manufacturer.

If there is any virtue in the protective system for American labor, as claimed, it ought, logically, to be most potent where it is most applied, and if the effect of it renders the condition of the people prosperous, those who are working in and are drawing their wages from these industries, as a matter of course, ought to be in the most prosperous condition. Now, if it can be shown that protection against foreign-made products has the effect of promoting the prosperity of the comparatively small number of hard-working miners, iron-workers, spinners and weavers of our wool and cotton-mills, the protectionists have, at least, a reasonable foothold for their claims.

What is the naked truth about this matter? What is the actual condition of these people?

As it is only by comparisons that we can reach correct conclusions let us compare notes for awhile.

From the census report of 1880 it appears that 17,392,099 persons were employed in gainful occupations.

Of these 7,670,493 were employed in agricultural and personal services, 1,810,256 in trades and transportation and 3,837,112 in manufacturing, mechanical and mining.

Thus it will be seen at the outset that of the total labor employed four-fifths belong to the unprotected class.

Of the class enumerated "manufacturing, mechanical and mining" only about fifteen hundred thousand are employed in what are known as protected industries.

According to the same report, the total value of the manufactured products in 1860 amounted to \$1,885,861,676. The wages paid in the manufacture of these goods was \$378,878,966, and the cost of material \$1,031,605,092. Deducting the amount of the wages and the cost of material from the total value of the products, there remains \$475,377,618.

It must be borne in mind that the workmen were not then "protected"; still their share in the value of the product amounted to twenty per cent. In 1880, when all consumers of manufactured goods were taxed from forty to fifty per cent for the special benefit of the "poor laborer," these laborers' share in the total product was only about seventeen per cent, or less than when we had not over half the population, not the fifth part of the railroads, and only 140,433 manufacturing establishments against 253,840 in 1880.

From the above figures it is evident that the manu-

facturers, who during certain periods have realized enormous profits from the effect of protection, have never offered to share a portion of these profits with their operatives; and no rational man would suppose that they should. They do not engage in manufacturing or mining upon the ground of philanthropy, but for the purpose of making money.

It would be childish to expect them to pay higher wages to their men than what labor can be had for, simply because they are doing a profitable business, and it is only a pretense that it is for this purpose the manufacturers ask for governmental protection.

It is true that since 1860 wages in factories have slightly increased, but, as is the case with all stimulants, the effect was not permanent.

The following tabulated statement, compiled by Mr. Schoenhof, from the census reports of 1860 and 1880, shows what the increase of earnings of our working-people was in the most highly protected industries from 1860 to 1880.

	1860.	1880.	Per cent increase.
Woolen and worsted goods.....	\$234	\$300	28
Iron and steel.....	355	390	10
Cotton.....	200	246	23
Machinery.....	390	450	15
Glass.....	330	375	15
Jewelry.....	435	500	15
Saddlery and harness.....	350	380	9

This increase, on an average, was sixteen per cent, and this great feat was accomplished in twenty years, while the products of the manufacturer were protected with forty-five per cent duty against his foreign competitor. It must not be forgotten that even this small increase of wages, mostly secured during war times, when labor was

less abundant and competition between the home manufacturers limited, was only maintained by organized labor, which stoutly resisted every reduction. It must be born in mind also that these efforts notwithstanding, the average wages in protected industries have steadily declined since 1880.

The proof to this statement has not only been furnished by the daily press for the last seven or eight years, but it may be found in the official reports of the Bureaus of Labor Statistics, which of late years have been established in several of the States.

The last annual report of the statistical bureau of the State of Illinois contains the summary of a carefully prepared table of the rise and fall of wages in 114 occupations during the five years from 1881 to 1886, inclusive. Of these the following list of twelve protected and twelve unprotected occupations are given : *

PROTECTED OCCUPATIONS.

	WEEKLY WAGES.		
	1880.	1886.	Per cent decrease.
Brushmakers.....	\$12 00	\$10 80	5
Cloak-factory workers.....	14 75	11 75	20
Coal-miners.....	12 02	8 02	33
Confectioners.....	18 86	12 14	35
Iron and steel workers.....	41 10	36 50	11
Iron-molders.....	16 43	14 41	12
Organ-builders.....	15 00	12 00	20
Paper-mill operatives.....	12 00	10 05	16
Salt laborers.....	13 20	12 00	9
Shoemakers.....	12 30	9 90	19
Tinners.....	12 90	11 25	12
Zinc factory men.....	25 00	18 75	25

* The average rate of wages of watch-factory workers at Elgin, as reported, was \$12.00 a week in 1882 and only \$9.00 in 1886.

Similar workers employed in the watch-factory at Rockford received \$16.00 per week in wages in 1882 and but \$12.00 in 1886.

The tariff on watches is twenty-five per cent.

UNPROTECTED OCCUPATIONS.

	WEEKLY WAGES.		
	1880.	1886.	Per cent increase.
Bricklayers and Stonemasons.....	\$19 05	\$20 10	14
Electrotypers.....	13 50	19 15	44
Hod-carriers.....	9 00	11 50	27
Slate-roofers.....	14 25	15 75	10
Press-feeders.....	7 00	8 50	21
Stair-builders.....	13 50	15 75	17
Steam-fitter helpers.....	9 00	12 00	33
Stone-block pavers.....	18 00	24 00	33
Stone-cutters.....	18 00	21 60	20
Street-railway employés.....	10 25	13 01	27
Wooden-block pavers.....	18 00	23 50	30
Wood-turners.....	12 00	14 25	19

Thus it appears that the wages in the twelve protected industries suffered a decrease of eighteen per cent on an average during those five years, while the wages in the twelve unprotected industries received an average increase of twenty-one per cent. And again, Mr. Arrott, of Philadelphia, who was selected to collect statistics for the United States census of 1880, says: "While wages earned in protected industries in 1870 was, per hand employed, \$446, for the year 1880 it was but \$313.75, or a decrease of about twenty-nine per cent."

And again: Mr. Wright, in his annual report of 1883, states that in 1875, the percentage of wages paid to the value of production in over two thousand establishments was 24.68, and that in 1880 it was only 20.23, *a decrease of one-sixth in five years.*

Now, it must be remembered that during all this time the high protective tariff of 1867, with very slight modification, was in operation, and that every attempt at its reduction was met by the manufacturers with the claim

"that such a reduction would be ruinous to American labor." Is it not plain that the benefits of protection, if there are any, have not gone to labor, which, with the aid of organization even, has not succeeded in maintaining the former standard of wages, but that the benefits must have gone to the manufacturer?

Let us see what men of experience in the business have to say about this matter.

Mr. Carroll D. Wright, present Chief of the United States Labor Statistics Bureau, when chief of the Massachusetts Labor Bureau, testified before the United States Senate Committee in relation to wages and its proportionate share in the profits as follows :

Being asked to state his ideas in regard to the equitable distribution of the joint product of capital and labor as it exists at the present time in that state, Mr. Wright said :

"Take \$100 worth of product at the price the manufacturer sells it at his warehouse; 61.32 is raw material, 20.33 is labor and 12.88 is interest and expense, leaving 5.47 as net profit to capital."

"What rate would that be on the investment?"

"Well, according to my report (1883), it would be \$34,000,000 in round numbers, on \$303,000,000 capital invested, which would be about ten per cent on the capital invested but not on the product."

"I understand you to say that the sum remaining to be distributed upon the capital invested in the State of Massachusetts, after paying interest on the capital, is ten per cent more?"

"Ten per cent more on the capital."

"What is the value of the product of a single mechanic?"

"The average to each employé was \$1,792; that is what each mechanic, man, woman and child, produces. Now, to each man, woman and child employed in a mechanical industry *the employer gets \$98 net profit*; that is giving him six per cent on his capital and five per cent on his product, etc. Each employé gets \$364. That brings \$98 to the employer as net profit on the product of each employé. It is the product of \$364 yearly wages paid to each employé that produces that \$1,792. The balance is raw material and expense."

"Suppose there were but one employer in Massachusetts, and the present number of employés, how much would that employer get?"

"He would get a net profit of \$34,505,367."

"What would the laborers receive?"

"They would receive \$128,315,362, divided among 352,255 of them or \$364 each."

"How much capital would one employer have in business, then?"

"He would have \$303,806,185."

"What he has left after paying all expenses is \$34,505,367?"

"Yes; after all his expenses of labor, raw material, etc."

"That is to say that would be the profit after the payment of interest on his capital invested and all insurance and outgo of every description, and keeping up his plant, repairs and all that?"

"Yes."

On page 653 of the United States Senate Committee's report, we find the following testimony of Mr. Howard, of Fall River—a former member of the State Legislature and Secretary of the Spinners' Association. His evidence was in reference to the share of labor in the manufactured product.

SENATOR PUGH.—"You are a man of intelligence and your knowledge, being founded on personal observation and experience, is, therefore, very valuable. I understand you to state from your personal observation that the manufacturing classes in the New England States are overworked?"

"Yes sir."

"I want to get your knowledge or your views as to the value which the labor of the operative imparts to the articles that are manufactured in the cotton mills at Fall River where you work. How much of the value does the labor of the operative impart to the cotton fabrics made there?"

"I think it is twenty or twenty-two per cent, but I am not certain."

"What is your knowledge and information as to the share that the laborer gets of the product, when a division is made between him and the manufacturer? What is your idea, also, as to whether that share is equitable, just and right, whether it is such a share of the product as the laborer should have in proportion to the amount of work that he does, and the amount of value that his labor imparts to the product?"

"There is a wide difference between towns and cities. For

instance, here are the Pacific mills in Lawrence. Last year they reduced the wages of their help to about twenty-five per cent, and we could prove that, for nineteen years preceding, the corporation had declared dividends, averaging twenty and a half per cent. We could find evidence of that in our State records."

"Are you telling us now what the capitalists—the manufacturers—got in that case?"

"Yes, sir; that is the kind of dividends they get in good times, and then, when the first cloud of adversity comes, they never think of the large dividends they have been making for years, but they look around and say, 'The market is falling, and we must keep up these dividends in some way!' and then they try to do it by cutting down the wages of their workmen."

"That is, they are not willing to lose any portion of these twenty-per-cent dividends when revulsions come in trade and panics take place—they are not willing to lose anything themselves, but they make labor bear the loss?"

"That is the fact. And the Pacific mills that I have spoken of have not only made that dividend, but their capital stock has been increased from \$2,500,000 to \$5,000,000."

"What about its being a fact, publicly known to the whole country, that protection through the imposition of tariff laws is claimed by members of Congress for the benefit of American labor? Is not the tariff adjusted, or said to be adjusted, so as to afford protection to the American laborer, by enabling the manufacturer to pay him the highest wages for his work? Is not that the general ground on which it is claimed that there should be protection?"

"That is the ground upon which it is claimed, but that is not the prevalent opinion among the working-people."

"Then while this protective law is claimed to be and is passed in order that it may be a benefit to the operatives in our manufactories, I want to know how much benefit they actually get from the increased prices which the protective tariff gives to the product. What share do the operatives receive when the product is sold and the proceeds are divided between them and capital?"

"The benefit? Looking at the wages here, compared with the wages in England, I cannot see any benefit."

"That is, the manufacturers take the whole benefit; is that it?"

"Yes. They will go over to Canada and bring over hordes of French people here to work in our mills at fifty or seventy-five cents a day."

“Are not the operatives in New England intelligent enough to know that this protection that was intended for them in the passage of this tariff law does not reach them, and is not that one reason of their discontent?”

“Yes, sir.”

“Do not operatives there understand that they do not get the benefit of the protective laws which have been passed by Congress for their benefit?”

“Nine-tenths of the intelligent operatives think so.”

Mr. Edward King, a type-founder and a prominent representative of the Central Labor Union, testified before the same committee as follows :

“Protection has been unjust in not protecting the working-man in his struggles with capital. I might refer, as an instance, to a statement made by Mr. Powderly, who represents a large labor organization. He was invited to address a large public meeting in the city of New York, which was supposed to be held under the auspices of the working-men of New York in aid of the protective policy. Mr. Powderly, to my own certain knowledge, excited a great deal of comment among the working-men, who owed allegiance to him as an officer of this organization, by the very fact of his taking any action on that question in association with certain capitalists, and in the supposed interest of a political party. The speech that he made on that occasion was freely commented on by the working-men, and the general opinion I found to be that while he advocated protection he still maintained that it was necessary for the working-men to be organized and to fight for their share of the profits. That proposition meant that, living on wages which barely supports him, having work during only a part of the year, and being almost incapable of supporting a good organization, the working-man is still to keep up this struggle for protection, because it is necessary to have this ‘protection’ in the interest of both working-man and master; and that when protection is secured, then the working-man has got to turn around and fight his master or employer in order to get his share. So, as I have said, the general opinion of the working-men on that occasion seemed to be that it was a kind of work of supererogation on the part of the working-man to take any hand in defending the tariff, when it was acknowledged that they themselves would still have to keep up this fight with their employers for their share of the profits, and to keep it up also a great deal more bitterly than was found necessary in England under free trade.”

"I understood you to make the statement that it was a mistake to call the wage-receiving class producers;—that they were really customers. Now they are both, are they not?"

"Exactly so."

"Is it not a fact that in the cost of some products eighty or ninety per cent of the whole is labor?"

"Yes, sir."

"Does the imposition of a tariff increase the price of the products of the wage-receiving class?"

"To a very large extent."

"To a very large extent the tariff increases the price that is paid for the products consumed by the wage-receiving class and by others; now, who gets the increased price that is thus put upon these products by the tariff? Is it the laborer or is it the manufacturer?"

"Well, they started a club in New York called 'The Somebody Club,' which ran for a year. It was based upon the idea of finding out who it was that got that surplus, who was 'Somebody' that got it; but I believe the club dispersed without discovering who he was."

"Does the laborer believe that he gets any part of that increased price?"

"No, sir; there is only one thing about it that the laborer is sure of, and that is, that he does *not* get it."

"Do you think he could make any mistake about his getting it?"

"If he got it don't you suppose he would know it?"

"Well, he might, but he hasn't had a chance yet. When I emphasize the fact that the laborer is a consumer, and when I say, in answer to your question, that the commodities which labor produces are raised in price, the relation of that last statement to my former statement is that the working-man now places emphasis upon the fact that he is a consumer,—that this is the great point, and as a consumer he intends to regard himself."

"As a public fact how is it;—where does the burden of taxation fall? It falls upon the consumer, does it not?"

"Yes, ultimately; but still more ultimately it comes out of the producers."

"Is it not a fact that the labor of a country bears more of the burden of taxation than is borne by the non-laboring class?"

"Of course, ultimately. When I say ultimately, I mean very ultimately."

"If a tariff is imposed on these products to increase the price, is it not imposed for the purpose of enabling the manufacturer to pay his

operatives higher wages? Is not that the reason assigned why the rate of duty is put so high? Is it not claimed that the duty ought to be high so as to enable the manufacturer to give the benefit of the increased prices so obtained to his employés?"

"Yes, that is the claim."

"Then if the manufacturer gets protection from the government on that claim, is it not right and proper that the people, for whom the protection is claimed, should get the benefit of it?"

"I should think so."

"Now, do they get it?"

"They do not think so."

But the most irrefutable testimony in proof that it is not the worker but the manufacturer who is pocketing the profits secured by protection, is furnished by the well-known advocate of protection, Mr. John Jarrett, the ex-president of the Amalgamated Iron and Steel Workers of the United States, who, in 1886, came to Illinois personally to assist in defeating Wm. R. Morrison's re-election to Congress.

Questioned by the United States Senate Committee on Education and Labor as to whether the wages of the iron-workers increased with the advance in prices in iron, Mr. Jarrett says:

"The wages of labor can only be maintained at a living standard by the working-men belonging to labor organizations."

"I could name to you mills which during the boom of 1878 did not advance wages, although iron advanced from two and one-half to four per cent, and over four cents a pound. When iron sold at four cents in the market they did not advance wages one cent."

"So the manufacturers took all the benefit of the advance?"

"They took it all."

There can be no misunderstanding about the statement of these intelligent working-men. No professor of political economy could state the case clearer nor more forcibly. These are not abstract reasonings of free-trade theorists: they are a simple, candid statement of facts, vol-

untheered by men who work in so-called protected industries.

Now, what further light is necessary for the laboring man to see that he is being outrageously deceived in this matter of protection?

Is not the sum and substance of these statements a candid acknowledgment that protection does not protect the working-man; that it has not the effect of increasing his wages, but that it is advocated for the sole purpose of increasing the manufacturer's profits?

If these statements are not sufficient, the following additional evidence, that the most outrageous acts of intimidation are resorted to in manufacturing districts, to crush out these annoying labor organizations, may, perhaps, open the eyes of the blindest.

As this question of intimidation is a part of the protective system a portion of the evidence taken by the Massachusetts Bureau of Labor Statistics, and embodied in the report of the United States Senate Committee, is here reproduced. One of the features of this inquisitorial method is what is called the "black list," which is in the possession of the manufacturers' association.

"This list," says the committee report, "contains the names of persons that it will not be safe to hire, owing to some participation in a strike or to membership in some trade organization."

The existence of that list was denied by some manufacturers before the Senate Committee but acknowledged to by others, one of them frankly stating, that "if we wanted to black-list a man we could undoubtedly do so. For our own protection we started a secret service, as it gave us the names and occupations of the most prominent agitators."

Here we have a set of manufacturers unblushingly admitting that in order to terrorize their working-men into submission to all of their exactions they have organized all through the State of Massachusetts an ignoble system of espionage.

The report says :

“Nearly all of the Fall River operatives, visited by the agent of the State, seemed to fear the possibility of the manufacturers discovering that they had given any information. One of them said, and his statement will cover what was said by several others: ‘You will find that very few of the operatives will say anything unless you can assure them that their names will never be known. If it were known that I was giving you any information I should be discharged at once; so you see I am reposing considerable confidence in you. My bread is at stake, and were I asked whether I had given you any information I should deny it from the beginning.’”

“Under these circumstances,” continues the report, “it was necessary to proceed with caution, but in the majority of cases the mere promise that no name would be mentioned was sufficient to gain the desired information.”

All agreed that the “black list” was an abominable institution, one that embodied all that was pernicious in the system of spying. The universal statement was that the spinners as a body were the most eagerly punished by the black-listing, it being asserted that thirty members of the Spinners’ Union were on the black list, and could not obtain work in any mill in the city. One operative stated that there were several causes that led to dissatisfaction and striking in Fall River, one of the most pronounced being the “black list.”

Of all the testimony given before the United States

Senate Committee in reference to the condition of working-men in protected industries, of the nature and object of their organizations, and of the methods resorted to by the protected bosses to break up these unions, the following by a simple working-man is the most interesting, and for that reason we reprint it verbatim :

Boston, Mass., October 19, 1883. Charles J. Chance Jr., examined by the chairman:

"Where do you live?"

"In Somerville, Mass."

"What is your business?"

"I am a currier; have worked some at tanning, but am a journeyman currier."

"You have learned that trade, have you?"

"Yes; I served my time at it and learned the trade thoroughly."

"And you work at it now for a living?"

"Yes, sir."

"Are you connected with any labor union?"

"Yes, sir."

"What is it?"

"The Tanners' Union of Massachusetts."

"How many members are there in that organization?"

"About twenty-three hundred; over two thousand I would say."

"You have something to say to the committee; you may proceed to state it now."

"Before I commence on anything for the committee I would state that I am in a position now; but having taken an active part in forming the curriers' union, I have been either blacklisted or something of that sort, so that it was almost impossible for me to obtain work until these last two weeks, when I managed to get into a place where they had either never heard my name or not known so much about the union matter."

"Let us know more particularly about your connection with the union and in what way it has resulted in your failure to get work. When did you commence these efforts and what did you do by way of organization? Where were you when you began?"

"Here in Boston."

"Well, what did you do?"

"I started in speaking for the men to join the organization."

"Speaking to them in public meetings?"

"Yes, some of them."

"And calling meetings yourself, with others, I suppose?"

"Yes, we called meetings."

"Where did you call your first meeting?"

"The first one that I called myself was in Charlestown."

"How many were present?"

"Twenty-eight."

"All of your trade?"

"Yes."

"What did you do—What did you say to them?"

"I didn't say a great deal. I gave them the rules of organization of the union, as it was found before I got into it, and encouraged them to form a branch of the organization in Charlestown, which they did."

"What reason did you give them for forming such an organization?"

"The reason we gave was that we might get the men all together; that they would come to a fair understanding between themselves, and in time regulate the price of wages more evenly than at present."

"How could you do that?"

"We could do it, and have done it since the organization has been started; done it in several places by a unanimous movement of the men, not in any hard manner, as by strikes or anything of that kind; there has been no severity used by any of us; it was done in a legal manner, by the men waiting on the firms and coming to an understanding with them before there was any chance of a strike."

"Have there been any strikes?"

"There was one strike in Charlestown shortly after the organization was formed. The proprietors of the place, Hubbard, Buzzell & Blake, made an attempt at reduction of wages and a demand for more work. The men refused to agree to it, and appointed a committee to wait upon them."

"They wanted the men to take less pay and do more work?"

"Yes; so the committee waited on the firm, and they gave them a very independent, 'sassy' answer; the consequence was that some of the men were discharged, and the rest, when they saw how matters stood, left."

"You protested against either change—more work or less pay?"

"Certainly. We didn't want to have any change, or to have the union brought in as the cause of it. We wanted to have the union first fairly started, and then to make any fair arrangements with them; but

they undertook to break up the union on the start; that was their idea, and after they got beaten on that, they gave in to the strike, but since then they have discharged the eight men that waited on them as a committee.

"Were you on the committee?"

"I was. They have since discharged, as I say, those eight men that waited on them as a committee, and the members of the firm that I have spoken of promised faithfully that after things had been settled there would be no hard feelings between our men and them."

"You think, then, that the organization prevented the reduction of pay and the increase of work?"

"Yes, sir; instead of getting the reduction they received a half-dollar advance, and did less work. The men working in these currier shops receive small wages, as a general thing, all through."

"What is the pay?"

"The average pay of a currier would be about six dollars per week."

"A dollar a day?"

"Yes, sir."

"Is that the pay of a first-class workman?"

"That is an average of the men."

"Are you an 'agitator'?"

"No, sir; but I have been encouraging unionism as much as possible."

"We have heard something about 'agitators.' You do not look like a very dangerous man in the community." You seem to be a peaceable man, who would mind his business and do his work; but you have delivered some addresses. Do you think that was right?"

"Yes, sir; I do. Resistance to oppression is an American right."

"You think it was right to call that meeting over in Charlestown and try to organize that society? Do you think that was consistent with your duty as an American citizen?"

"Yes, sir."

"You do not feel condemned for it at all?"

"I do not; no, sir. I think, where you see your trade is getting ruined and getting underneath, it is about time something should be done; and if one man don't do it, somebody will have to take hold and do it."

"What business have you to meddle with your trade?"

"Well, I don't know that I have any business to meddle with it any more than the bosses have to meddle with us. When they come

to cut us down and demand of us work that we will not or cannot do, it is time somebody did something."

"Do you really think so?"

"Yes, sir."

"You have got that idea in regard to your relation to society and your right as a man?"

"Yes, sir."

"And you still insist that you had a right to do it, and are not to be condemned for doing it? Of what consequence is your trade to you?"

"Of what consequence? I have to make a living by it."

"Do you think you have a right to make a living?"

"Well, according to the idea of some men a working-man has no right to make a living."

"Then you were wrong in making that speech over in Charlestown, were you not?"

"No, sir."

"Is there any other point that you have on your mind which you wish to state?"

"Out here in Roxbury there is a shop running some eighty men, and the proprietor of that concern has threatened to break up the union, or the 'clique,' as he calls it, and he has commenced already to discharge men that belong to the union."

"That is simply because they do belong to the union?"

"Yes."

"Why do they want to break up the union? What reasons do they give?"

"That the men will be wanting to get more pay when they become organized."

"How do you know that they give that as a reason?"

"They have told the men that."

"They have themselves told the men?"

"Yes, sir."

"Do they claim that they are unable to give more pay?"

"No. There are men that would be willing to come here and testify, but, like myself, they know that as soon as they get here they are done for. I have spoken to several of them, but they are all afraid. They are union men but are afraid to come out in public and give any voice to their wrongs. It is a general feeling that all working-men have, and I believe that I will be the only tanner and currier that you will find to come before you. There may be one or two more that

would come if they could possibly get together, but as a general thing they have all got this fear in them.

John Morrison, machinist in New York city, testified before the United States Senate Committee as follows :

"Where do you work?"

"I would rather not have it in print. Perhaps I would have to go Monday morning if I did. We are so situated in the machinist's trade that we darn't let them know much about us. If they know that we open our mouths on the labor question and try to form organizations we are quietly told that 'business is slack,' and we have to go."

"Do you know of anybody being discharged for making speeches on the labor question?"

"Yes; I do know of several members of the organization that I belong to who were discharged because it was discovered they were members of the organization."

"Do you say those men were members of the same organization that you belonged to?"

"Yes, sir; but not working in the same place where I work. And, in fact, many of my trade have been on the 'black list' and have had to leave town to find work."

The well-known protectionist, John Jarrett, also testified in reference to the intimidation of the working-men in the Pennsylvania rolling-mills.

"We are unable to organize the men who are working in these mills, from the fact that they are completely demoralized and are afraid that they will be connected with our organization, knowing that they will be discharged if they are. I can give you instances that took place under my own observation not two years ago. I went into one of these rolling-mills to speak with a person there. It was the Pennsylvania Steel Works, at Steelton, near Harrisburg. I spoke to a person there in the mill about organization. Of course, if they knew who I was, it is not very likely that they would have allowed me in, but I was inside the mill and was talking with this man about organization, and one thing and another, and the very next day that man was discharged without being told anything about the reason, and, of course, he naturally drew the conclusion that he was discharged because he happened to be talking with me. Of course, I could not subject any of the other men in that mill to that risk; so you can see that when working-men are in this condition we have reached a very demoralized state of affairs."

The testimony of Robert Howard — whose evidence “on the share of labor in the profits of manufacture” has been given already — in reference to the reported intimidation of the operatives of cotton and woolen mills in Massachusetts, is as follows:

“Now there is one remarkable thing in Massachusetts, and that is that if ever a bill is brought before our legislature for the redress of some grievance which may exist, or if the working-men come to the legislature asking for some law which may be beneficial to their interests as working-men, such a law as that they shall be paid weekly, or a law providing for boards of arbitration, or a law to make the ten-hour rule more stringent — if there is a bill of any of these kinds brought before our legislature, you will always see the corporation detectives there, particularly from Lowell and from Lawrence. Lowell wishes itself to be looked upon as the working-man's paradise of Massachusetts, but it is the worst place in Massachusetts and pays the lowest prices to working-men. The Lowell manufacturers always have a ring of men down at the State-house. It was that Merrimac corporation that got us reduced ten per cent in 1880. When the Board of Manufacturers met, the others said to us, ‘You make that Merrimac Company pay the same as we are paying; they can undersell us as things are.’ There are men there running fifteen hundred spindles for about \$9.50 a week, while in the other New England mills they can pay \$12 a week. They have a man named Moses Sargent who is there at the State-house every week, and when I was on the Legislative Committee I used to see him watching every man that came in, so that a Lowell man that had to earn his bread in the mills dare not put his head into the committee room. The same is true in Lawrence. They had a detective named Filbrook always watching to see if any Lawrence men came before the committee to give testimony. Then, after the meetings were over, they would say, ‘There are those Fall River fellows; they are a turbulent set.’ It is not that we in Fall River are turbulent; it is because we had manhood enough and nerve enough to go and ask and demand what was our right, that they say that about us. There are no Fall River detectives at the State-house. I went to a meeting of the mule-spinners at Lawrence some six or seven weeks ago. When the time came that was appointed for the meeting, there across the road stood Filbrook, the corporation detective, and Russell, the overseer, watching every man that came in. There was one man at that meeting who was looking out of the window at them and he said, ‘I never belonged to a union in my life, Howard, but

nothing does so much as the presence of these men there to convince me that there must be some good for the working-men in unions, for unless there was they would not stand there spying us as we come in.' That is the condition of affairs. These manufacturers have their detectives employed permanently. I have been told that Filbrook gets a salary of \$6,000 a year from the Pacific mills alone."

Thus is the word protection—which in its true signification conveys the idea that the weak, the humble and helpless are being shielded from oppression and injury—prostituted for the base purpose of oppressing and injuring a class of our people whose fate it is to labor and to suffer.

The shallowness of the pretense, that the protective system is a necessity to maintain a respectable standard of wages for the American working-men, is further exposed in the \$2 a thousand tariff on lumber.

In order to bring this matter in its true light before the reader, it will be necessary to consider the claims made by the owners of pine lands in support of the protective system. This can best be done by producing the testimony before the Tariff Commission of the representative of a large association of lumbermen, and of individual business men engaged in the manufacture and trade of lumber.

At the meeting of the commission in Chicago, September 7, 1882, Mr. J. A. Whittier, President of the Saginaw (Mich.) Board of Trade, made a statement of which the following is a synopsis:

"The total product of Michigan in 1881 was four billion feet of pine lumber. Capital invested in its manufacture, \$40,000,000. Twenty-one thousand men were engaged in saw-mills at wages averaging \$2 per day. Thirty-five thousand men were engaged in logging at \$1.75 per day. The mill men are employed two hundred days, the logging men 150 days during the year. Total estimate of yearly wages paid, \$17,585,500."

In order to impress the Tariff Commission, and the

public through its report, with the necessity of laying a tax of \$2 a thousand upon the millions of lumber consumers, this wealthy defender of the American wage-earner thus pathetically describes the magnitude of the interests involved:

"If we take in the whole lumber industry of the United States we shall find 9,000 men working in mills, and 135,000 in forests, with yearly wages of \$80,000,000, and a total product of \$230,000,000. The standing pine tree in the forest is the raw material, and for that 'a round sum is paid,' and the conversion of that raw material into lumber is done by the steady stroke of the ax and solid days' work by this army of men, and the estimated cost of producing lumber is \$13.50 per thousand feet; the average price received is \$14.57, leaving \$1.07 profit."

In this estimate of cost the item of stumpage, that is, the privilege of cutting the timber from the owner's land, or the value put upon it by the manufacturer owning the pine land himself, is put down at the nice "little sum" of \$4.50 a thousand feet.

Mr. Whittier informs the commission that \$80,000,000 are paid yearly in wages to the operators in the lumber business of the United States, and that the value of the product is \$230,000,000; but he fails to tell the commission that in the \$80,000,000 wages paid, the amount of the \$2 a thousand tax, or \$46,000,000 collected from the consumers, is included, and that consequently all the money paid in wages by the operators out of their capital or profit on the products is \$34,000,000. By deducting this amount from the value of the total product, we have \$196,000,000, which goes for stumpage, machinery, repairs, interest on capital and profit to the lumber bosses.

"There are millions in protection to American labor," they say, and it is on that account that the lumber lords of the Northwest are "laboring" so hard to maintain it.

The item of "stumpage," an altogether fictitious value,

is the worm in the meat-tub. It is, in railroad terms, the "watered stock" of the lumber operators, through which they have been amassing such immense fortunes.

As stated by a prominent Chicago lumber merchant, and a thoroughly informed gentleman, before the same Tariff Commission :

"The power of this association is getting to be a little dangerous, as it appears to me, and as it would appear by the rapid advance in stumpage. I remember some fifteen years ago the stumpage was generally estimated at fifty cents a thousand. His land cost him \$1.25 to \$2.50 an acre. He has a good profit at fifty cents. But if the stumpage of the Northwest is gradually gathered into a few hands, they have the power to form combinations that have the effect to bull up the price of lumber. The operations of these manufacturers, who all appear to run in one groove, have been advancing the price of lumber the last two or three years out of proportion to former years.

"I took occasion last evening to gather from my books some statistics of the cost of lumber for the last ten or fifteen years, and I have it accurately extended. I have been a lumber buyer in this market, and have probably bought, during that time, not less than 10,000,000 feet of lumber, and from that to 25,000,000. There are other dealers here who are similarly situated. You will understand that Chicago does a business exceeding 2,000,000,000 per year, making it by far the largest market on the globe for the sale of lumber, and over one-half of the gentlemen doing business here do not own a single acre of stumpage. They buy from the lumber operators and stump owners. I notice that for the year prior to the fire, up to October 9, 1871, lumber cost me (and my neighbors as well, for we buy side by side) \$14.46 per thousand feet. I notice in the estimate of the Saginaw gentlemen that they figure the absolute cost of lumber at \$13.50 to the manufacturer. As the transportation from Saginaw here is sometimes \$2 or \$3 per thousand (I have paid as high as \$4), you will see that they have been doing business at a tremendous loss, and that is the reason they are so wealthy now, I presume!

"The great fire in Chicago necessarily had an effect upon the value of lumber. It had the more effect because lumber was not one of the items upon which a rebate was allowed. You will remember that when the world was weeping at Chicago's impoverished condition Congress passed a law giving the rebuilders of the city a rebate upon glass, iron

and everything else in the way of construction material. The lumber interest, however, would not submit to a rebate, and this was the effect: Lumber for 1872, following the fire, cost the people \$16.80 per thousand feet. That was the average cost the whole year. So it will be seen that the lumber manufacturers and the stump owners were benefited to the extent of about \$2.50 a thousand in consequence of the Chicago fire. If the duty had been off, or the rebate had been allowed, the lumber dealers would only have been benefited to the extent of fifty cents; but, as it was, they made a great deal of money out of the Chicago fire.

"For the year 1873, two years after the fire, the average cost of lumber was \$12.72, a falling off, you see, of over \$4 a thousand. Things were beginning to regulate themselves.

"In 1875 it was \$11.68, a falling off of another dollar a thousand.

"Now we strike the proper medium of trade, I presume, without the disturbing element of the Chicago fire. In 1876 it was \$9.67, Saginaw losing a tremendous sight of money - you see. I don't know how they can exist at all!

"In 1877 it was \$9.73.

"In 1878 it was \$9.66.

"These figures I can verify by oath to any extent. But now, gentlemen, this is what I wanted to call your attention to especially. In 1880 a little boom started, and the stumpage being reduced to a small amount could be easily handled, and an advance was made to \$11.63 on the average.

"In 1881 it was still growing, and reached \$13.92.

"In 1882 my lumber cost me between \$14 and \$15 a thousand.

"That is the direction it has taken. It is in consequence of the manipulation of the stumpage. I can see no earthly reason why the American interest should have any protection. Only in one thing, from my standpoint, do I see that it applies. I believe that we can produce corn, pork and beans in Illinois, and those are the things that enter into the lumber business. I do not see why a Canadian should work for \$10 a month when he could pass over an imaginary line into the United States and get \$20 a month. I believe that the laborer upon the Canadian side is paid equal to our laborer here, and I see no sense in anything else, and I object to the proposition that he is not paid so well, unless it may be that provisions would cost less in Canada than they do here; and, as I have before remarked, pork, corn and beans is the power that runs the lumber business. Now, I believe that the cost of pork, corn and beans in the states of Illinois, Michigan and Wisconsin cannot far exceed the same article in Canada. They may be able to raise beans up there

a little cheaper; I don't know how that is. But against that there exists this consideration: that the Canadian has to pay anywhere from \$1 up, or more, for taking his lumber to market than the American does, and the freight, as I understand, from Georgian Bay to Buffalo at the present time is about \$3 a thousand, while the freight from Saginaw is about \$2. There is \$1 against them, for Saginaw could not get lumber in this direction over these broad prairies, where so much lumber is used, for less than \$2 a thousand. There must be a margin, at least of \$1 a thousand against them in the delivery of lumber to our section here.

The manufacturer of lumber in Michigan has other advantages incident to his manufacture. He can utilize the offal, the worthless product, so to speak, of his logs. He utilizes his sawdust and sells his slabs for firewood. And I understand there has recently been discovered a process by which whisky is made from sawdust, and when that ultimatum is reached the manufacturer of lumber will be solid, indeed.

Having, then, the advantage of a revenue from his offal, and the advantage of from \$1 to \$3 in the delivery of lumber, I cannot for the life of me see why he should be further protected by the advantage of \$2 duty.

Taking for granted the estimate made by the Saginaw gentlemen that the expense of the manufacture of lumber is \$13.50 per thousand (and, of course, I question his figures all the way through), you will see that he admits that after paying a stumpage tax of \$4.50 he still has a profit of \$1.07, with which he has acknowledged himself satisfied. Now let us throw off this \$2 duty and give him only a stumpage of \$2.50. According to late estimates, which are credited to the manufacturers, there stands now upon the peninsula, reckoning from Ludington east to the Saginaw Valley, an average of 5,000 feet of timber on each acre of ground. Giving him a stumpage tax of \$2.50 would still pay him \$12.50 an acre for every acre of that ground, even if it were pine barrens. Hence, he would receive \$2.50 for each thousand of stumpage."

It would thus appear that the "round sum" of \$4.50 for stumpage, as stated by the president of the Saginaw Board of Trade, is simply the "round sum" credited to themselves in figuring out the cost of lumber, and is thus swelled merely for the purpose of deceiving the public in regard to the actual amount of their profits, which, allowing the liberal sum of \$2.50 for stumpage, as before stated,

would show the profit on the price of \$14.57 per thousand feet to be \$3.57 instead of \$1.07, as stated by the president of the Saginaw association.

But since 1881, owing to the rapid increase in the price of stumpage, the price of lumber has been steadily on the increase, so that on July 26, 1887, the market report of the *Chicago Times* shows the price of lumber by the cargo to be :

Dimension, long, green.....	\$12 00 to \$15 00
Dimension, short, green.....	10 50
Common boards and strips.....	13 00 to 14 00
Medium boards and strips.....	14 50 to 16 00
No. 1 boards and strips.....	16 50 to 20 00

How about the price of labor? Has that kept pace with the stumpage of the land owners and the price of the product? Let us see.

Alex. G. Burman, of Manistee, who is at the head of the organization of the Knights of Labor in Michigan, recently transmitted to the press of that State the resolutions unanimously adopted by District Assembly 83 in favor of the abolition of the tariff on lumber, and at the same time presented the facts as to the "protection given to the workers by the \$2 a thousand tariff" in the following paragraphs:

Average price five years ago: Wages paid to men employed in the logging camps per month and board, \$30; wages paid to men in and about saw-mills per month without board, \$40; custom-mills received from manufacturing, from \$3.50 up to \$4.50 a thousand feet; pine stumpage, from \$6 to \$7 a thousand feet—the pine almost on the river banks.

At the present time wages in logging camps per month, with board, \$18; wages in and about saw-mills per month, without board, \$30; custom-mills receive today \$1.50 to \$2.75 per thousand. Pine cannot be bought

to-day for less than \$10 per thousand, and far off from the rivers."

Ten dollars for stumpage, or \$47.50 profit per acre of pine land for the lumber kings, and \$18, with board per month for each of the "army of men, who, by the sturdy stroke of the axe, do the solid day's work," in wages.

And all this lying about protection to American labor, in our lumber interests, is easily swallowed on account of the unfathomable stupidity of a portion of our workingmen who actually believe that all, or a large portion of the \$2 import tax ultimately *enures* to their benefit.

Don't they see that it is the high-priced "stumpage" of the American owner of pine land which is protected against the low-priced "stumpage" of Canada, and not the cheaper Canadian labor, which, under the "free-trade in labor" plan, and without the slightest hindrance, crosses the American border in droves to compete with the wages of the American lumber worker? However, a goodly share of the "unfathomable stupidity" mentioned above, if not downright rascality, is to be placed to the credit of those members of Congress who, with the above facts and figures before them, by their votes are laying a senseless and useless embargo upon Canadian lumber.

But the evil of this lumber tax consists not only in swindling the laborer and the consumer; it is inflicting serious injury upon the whole country by the wanton destruction of our merchantable timber, which, it has been calculated, will be completed before the close of this century. When this will have taken place, a clever statistician asserts, that the entire marine of the world cannot carry enough to supply the demand in the United States.

OUR PAUPER LABOR.

OF all the arguments used by protectionists to bolster up their ignoble system, that of "European pauper labor" is the most deceiving.

Relying upon the gullibility of the unthinking, it is not of the slightest consequence to them that the terms "pauper labor," and "pauper wages" are meaningless in fact, since paupers do not work and, consequently, do not earn any wages, but as a rule are supported at the expense of the charitable public.

It is clear that in using these terms, the impression sought to be conveyed is that European laborers are as miserably situated, as poorly clad and fed as the paupers in the public almshouses, and that the standard of their wages is just high enough to keep them and their families from starvation. It was found advisable to keep this picture of human wretchedness prevailing among the poorer classes of the old country constantly before the eyes of the American working-men, evidently to serve as a reminder that unless they assisted with their votes in maintaining the protective system, or if the tariff reformers were permitted to lower the taxes on imported goods, they would soon share the fate of the "pauper laborers of free-trade England." In order to give a semblance of fact to their claim, R. P. Porter, who was the proxy of Pig-iron Kelly on the Tariff Commission, was selected as a fit representative of the spoliation system and dispatched to England, in the guise of a philanthropist, with a view to

examine into the condition of the working classes in that free-trade country.

Mr. Porter is an Englishman by birth, and, like the bird who befouls his own nest, has most faithfully performed the mandate of his protectionist task-masters, by sending exaggerated and deceptive reports to American newspapers, in which the wretched condition and pauperism of the "toilers" of free-trade England are pictured with harrowing details. That these reports are not written for information, but for the express purpose of being used as "scare-crows" for the credulous American "toiler," is apparent from the fact that Mr. Porter studiously avoids making comparisons between the conditions prevailing before the "free-trade" system had fairly been inaugurated in England and after. He does not inform his American readers of the fact that the condition, the wages, the mode of living, as well as the morals of the laboring class, have improved a hundred per cent since England's present fiscal system has been introduced. He is silent about the fact that forty years ago, under the strictly protective system, the number of able-bodied paupers in the United Kingdom, with a population of less than 29,000,000, was 934,419, and that in 1883, after the long period of practical free trade, and with an increased population of over 36,000,000, the number of able-bodied paupers had actually decreased to 799,296. Again, in speaking of the degradation prevailing among the English working classes to-day, as a true renegade, Mr. Porter fails to do justice to his native land by avoiding to mention the eloquent fact that in 1846, under an exorbitant protective tariff system, the annual convictions in the United Kingdom were 41,008, against 15,898 in 1882, under the free-trade system.

For the purpose of throwing light upon the subject of "pauper labor in Europe," which as a "scarecrow" is rendering such effective service to the protectionists, we will now furnish the testimony of reliable journals, and of "protected workingmen," with reference to *our own* pauper labor.

We have selected but a few of these reports; they will, however, suffice to give a general idea of the condition of the people whose fate it is to earn a livelihood in our so-called protected industries.

On February 6, 1884, the Cleveland *Herald*,—good protectionist authority,—contained the following:

For some time past all sorts of stories have been circulated in reference to the suffering of the miners and their families scattered along the Pennsylvania railroad between this city and Allentown. These people have had their wages reduced from time to time until they are now only getting from sixty to seventy cents per day, or an average of about sixty five cents. These reports have excited considerable comment, and in order to verify them a *Herald* correspondent visited the mines.

"After arriving in Alburty, Pa.," writes the correspondent, "I procured a sleigh and drove through the entire district, covering some thirty miles, and visited many homes of the miners, beside some forty-five mines in full operation. Alburty has a population of nearly six hundred people, and their true condition is probably expressed in the words of Isaac Bickel, proprietor of the American House, who said:

" 'Never in the history of the town has there been so much suffering among the poor. The panic of 1873 is no comparison. The store-keepers have shut down on the men, and are now doing a strictly cash business throughout the ore district.'

"George Schrack, residing in a small log hut near Farmington, was called on in the evening. The picture presented here was one of extreme pity. The children, four in number, were found huddled together about the stove. They were thinly clad and three of them were suffering with the measles. The floor was carpetless and the room presented a dismal appearance. The furniture was old and bore evidence of hard usage. The bed-room adjoining the kitchen contained two beds, in which the entire family slept. Two of the window panes were broken out and stuffed with old clothes. Mr. Schrack, who works in

one of the mines in East Texas, five miles distant, did not reach home till 7:30. Supper had been prepared and consisted of bread, molasses, mush and coffee. A stiff breeze was blowing from the northwest and the cold air fairly whistled through the cracks of the old structure.

“Will you kindly give me an insight into your daily life, Mr. Schrack?”

“Well, to tell you the truth, it is a tough one. I get up at four o'clock every morning and leave here half an hour later in order to reach the works at six o'clock.”

“What are your duties?”

“I am a loader, and with the help of another man we load from sixty to seventy cars per day.”

“What are you getting per day?”

“Sixty-two cents.”

“How do you manage to live with that amount?”

“Oh, we manage to just hang together. We can't afford meat but once a week. Bread and molasses constitute our chief diet with a few potatoes and corn meal thrown in.”

“How about your clothing, shoes, etc.?”

“The children have no shoes and really I cannot afford to buy any for them.”

“How much did you earn in January?”

“\$11.38. I made a little over eighteen days.”

“How much does it cost you to live?”

“My earnings did not quite cover the bills and the grocer told me that hereafter none of the men would be allowed to exceed their earnings. I have not handled a cent since December the 1st.”

“How's that?”

“Why, you see, after the grocer is paid, nothing is left.”

This is the story of a dozen or more, and with the exception of one or two cases all tell the same story.

Benville Eck, employed as foreman in the mines of Kaufman & Co., at Alburdis, said:

“I have been employed in the mines over twenty years and get \$30 per month. I live four miles from here and generally get up about four o'clock in the morning. I am a married man and have three children. I don't know how the men live, but judging from what I see here, bread and molasses are the chief articles of diet.”

Another account, recently written to the *New York World* by a correspondent who is investigating the condi

tion of the "protected" mine workers in the Pennsylvania coal region :

Outside of "Japan" (a name given a miners' settlement) but still in Jeddo, I came to another tumbledown collection of shanties. In the front of one was a sad-faced Welsh woman of so intelligent a countenance I could not forbear to question her. Her husband, she said, worked as breaker for eighty cents a day. It was the best he could get. I entered the house and was struck by its neatness. The woman was superior to her circumstances. I asked to see a ticket. She showed me one. It represents the work of a boy of *ten*, one of fourteen and a man.

EARNINGS.

By boy of ten, 253 hours.....	\$17 45
By boy of fourteen, 236 hours.....	18 56
By man, 249 hours... ..	29 38
Total gross earnings.....	<u>\$65 40</u>

CHARGES.

To balance (debt).....	\$61 40
To team	75
To rent of three rooms	2 50
To coal.....	1 50
	<u>————— \$66 15</u>
Balance (debt).....	75
To merchandise.....	47 46
Balance (debt).....	<u>\$48 21</u>

"So you are heavily in debt, I see?"

"Yes, sir; like all the rest."

"You have a hard time making it go."

"Oh, sir, I couldn't make it go at all if I didn't go out and work myself. All the money we can see is what I bring home. No thanks to the mines for that."

"Now, I would like to ask, gentlemen operators, if this is right? You make a father work, you turn his sons of ten and fourteen into treadmill slaves, and then compel the mother to go outside and work in order to eke out a livelihood. If this be right and decent in your minds, no wonder you think it proper to enter into gigantic conspiracies to put up the price of coal and rob the poor of our great cities, who buy by the scuttleful, and buy perforce when fuel is at its dearest. No wonder you

think it no offense to defy the laws of Pennsylvania, for the lesser offenses are swallowed up by these greater ones."

The correspondent thus pathetically continues:

"I supped last night in a hovel with a man whom we may call John Richardson, and his interesting family. There were nine at table, six children, ranging from Pat, the donkey-boy of fifteen, to Charlie, the baby, that lay asleep in his mother's lap, Mr. and Mrs. Richardson, and myself, a self-invited guest.

"The bill of fare as originally planned consisted of a couple of loaves of bread from the 'pluck me' store where John does his trading, compelled so to do if he would get work in the mine where he is employed, some salt to eat upon the bread, a bit of salt pork for the father and eldest son, some huckleberries and red raspberries mixed, picked by the little girl, a small libation of milk, John owning an interest in a cow, and some tea, composed, as near as I could judge, of one part cheap green tea, and four parts sweet fern, or some other herb gathered near by, to eke out a warm decoction. To this bill of fare I added a large beefsteak from the round, a couple pounds of cheese, together with a paper of sweet crackers for the little ones. If you could have seen the way these unwonted luxuries were reveled in by the whole Richardson groupe, I am sure you would have felt the warm shivers run up and down your backbone as they ran up and down my own.

"There is a full supply of so-called 'Hunks' in town. This is the miner's name for the poor creatures who are brought over here in gangs from Hungary, Poland, Austria, Russia and Italy, and put to work at wages that no man with a family to support could stand. The highest paid them is ninety cents a day. They work for what they can get, and herd together like cattle, twenty and thirty in a single building, sleeping on the floor, or in the woods when the weather is warm, and paying their housekeeper \$4 per week for their board. The decent laborers of all nationalities are upon an equal footing at the mines, but these cattle are outcasts, and deserve to be so. I shall devote a separate letter to a description of these creatures, the bane of the mines, which will be taken from life."

The Chicago *Herald* of July last contributes the following:

"Newspaper correspondents have lately achieved the difficult task of exploring this beautiful region—meaning the collieries of Hazleton, Pa.—hitherto so severely ignored by the protectionist hair-raisers. With what commiseration for poor Ireland and benighted free-trade rid-

den England, with what pride in the institutions of the land of his birth, must every American read of the recent evictions at Hazleton collieries, near Wilkes Barre!"

"For brutality and consequent misery they surpass the most exaggerated horror yet reported from Ireland."

"Hazleton is a delightful village nestling in the carboniferous hills near the Hazel Brook mines. Village and hills and collieries are the property of a firm named J. S. Wentz & Co. The firm will not sell or lease a foot of land to anybody, nor allow a man to build a house for himself. It compels every employe in the mines to rent from it, at from \$5 to \$6 a month. The men are forced to sign a lease which places them absolutely at the company's mercy. They expressly waive every benefit or protection which they might have under the laws of the State. They agree that the moment they cease work for the company they must leave their homes, and can be ejected on ten days' notice; and they further have to sign what is termed an 'amicable suit of ejectment,' by which the company can at any moment issue a writ and evict them.

"This, mind you, is a strictly American and highly protected lease. Mark how it operates: Notices to quit were sent round to the strikers some weeks ago. On Saturday Deputy Sheriff Brockway, armed with the writs issued in 'amicable suit of ejectment,' and backed by a body of coal and iron police in the pay of the company, appeared in the village and began to evict. Six families with all their goods and chattels were thrown on the hillside; they were the families of Neal Gallagher, Daniel Nigan, Patrick Bowen, Barney Gallagher, Joseph McGonegal and Patrick Dunlavy. Everything the house contained was thrown pell-mell out of doors and window, the women and children driven out and the doors locked behind them. From their names it is apparent that these tenants came from the land of iron leases and heartless evictions, in the full hope, presumably, of finding relief in the land of the free. Their oppression did not stop here. Not only were they thus deprived of home and shelter, but not a soul in the village dared shelter them or their goods. The company had given notice that any tenant affording shelter to those evicted would be himself dispossessed. Mrs. Dunlavy was sick in bed when the officers entered the house, but she had to go, and her bed was put outside after her. It was with difficulty that she obtained permission to stop over night at a neighbor's, nor were the evicted tenants able to remove their goods, for the company had prohibited any wagon from entering its lands for that purpose, and refused to grant the use of its own teams. Women and children were compelled to hunt miles in search of a place to spend the

night, and some unable to obtain shelter were forced to sleep on the bare ground, without roof to cover them. Their goods are lying to-day just as they were thrown out, the people being unable to move them.

"It is not to be supposed that such things could happen without comment. On the contrary, the whole region was boiling over with indignation, though choking its impotent wrath through fear of incurring the horror themselves, for everybody thereabouts belongs to Wentz & Co. Even the press dared not make mention of what took place. 'What can we do?' a local editor demanded of the correspondent. 'The coal kings have the making of the postmasters, no matter which party is in power. If any paper dares to open its mouth about these outrages the postmasters get the wink and our paper is kicked upon the floor—its subscribers look in vain for it. One paper near here, at Freeland, has defied the autocrats and told the truth about them, and for years the editor has labored on the verge of bankruptcy. Oh, I tell you these men are above the law. We have submitted to them, and not until the metropolitan press take hold of the matter will justice ever be done here.

"The company store system is, of course, prevalent in this region, and not the least of the links in the chain of slavery. The Stone bill, passed in the Pennsylvania legislature in 1884, makes this system illegal. But what of that? What is law to a protected coal baron? The miners are now compelled to trade at the company's stores, but if they don't do so — well, their services are no longer required. Then there is a doctor furnished by each company, and each miner with a family must pay seventy-five cents a month, whether sick or well, while each single man of twenty-one or more is docked fifty cents a month for the benefit of this pampered physician. Other doctors are 'not allowed.' Hundreds of company doctors have made fortunes out of the business. Then each man pays fifty cents a month towards the support of a priest, but this is not insisted on. Four dollars is stopped for rent, and \$1.90 for coal, with sixty-five cents added for delivery, and sometimes taxes are added upon the dwelling. Thus it results that the men very rarely draw more than \$2 or \$3 in money at the end of the month. Their slavery is complete. It is remarked that, under these conditions, the mining population grows sullen and dispirited; that the young men flee away to the cities as they grow up, leaving their places to be filled by cheap Slav labor imported for the purpose; that the young women take to a life of shame rather than live in the cursed atmosphere of their youth; that the children are joyless and ignorant. The houses are horrible; the saloons are better, and the company sells the liquor. Men take to dissipation from sheer despair. A strained, unnatural feeling of dread pervades the

place, for every one knows that spies are about and he dare not speak.'

To close this account of Pennsylvania horrors the corroborative testimony of Mr. John Jarrett is now offered, he being fully posted in regard to the wages and condition of the miners. Mr. Jarrett is authority in matters of protection which no protectionist will dare to impeach.

On the 6th of September, 1883, at a meeting of the United States Senate Committee on Labor and Capital in the city of New York, Mr. Jarrett was sworn and examined:

"Please state your residence and occupation."

"My name is John Jarrett. I reside at Sharon, Pa. At present I am president of the Amalgamated Iron and Steel Workers of the United States."

"Do you know anything of the condition of the Pennsylvania coal-miners?"

"I do, sir."

"How many do you think there are?"

"There must be at least ninety thousand coal-miners in Pennsylvania, of whom about sixty thousand are the heads of families."

"The men who mine the iron and coal?"

"Well, coal-mining in Pennsylvania, in my opinion, is a more important interest than ore-mining, and the condition of the coal-miners in Pennsylvania is pitiable, miserable in the extreme."

"You say their condition is pitiable and miserable. How much so is it?"

"It is because the wages of coal-miners are too low. They are illy paid. Then, too, they suffer from the truck system. Under that system they pay one hundred per cent more for what they buy than our people do. Then, the houses they live in are extremely miserable. If I feel particularly for any branch of labor in this country it is for the poor coal-miner. He risks his life day after day for a mere pittance. Every time he departs from the light of day he does not know whether he will ever see it again. And while in some branches it does not require much skill to be a miner, in others it does, and I think the coal-miner ought to be better paid, better clothed, better housed and better fed than he is."

"Have you been among the English miners?"

"Yes, sir; and from my experience among the miners in England I may say that they are really better cared for than are the coal-miners in the United States."

"Do you mean that they have more comfort during the year."

"Yes, sir. Then the truck system has been entirely wiped out there the men are getting their money every week."

Mr. Jarrett, it will be seen, admits under oath that from personal experience the "pauper labor" in the coal mines of free-trade England is better cared for and has more comfort during the year; in short, that their condition is more prosperous than that of their brethren in "protection-blessed" Pennsylvania. "Sixty thousand heads of families," he says, "to whom probably two hundred thousand women and children are looking for support, are in a pitiable, miserable condition, poorly paid, poorly clad, poorly fed and poorly housed."

The following testimony before the United States Senate Committee of a "protected" workman in one of the cotton-mills in New England is highly interesting and instructive. It is the tragic history of the daily life of a class of "American" labor, of which no parallel can be found in free-trade England.

Thomas O'Donnell, a mule-spinner, at Fall River, Mass.:

"I have a wife and two children. I went to work when I was young and have been working ever since in the cotton business. I earn \$1.50 a day. I pay \$1.50 a week for rent. I have not worked more than half the time since the great strike three years ago. If a man has not a boy to act as back-boy, in a great many cases they discharge a man and put in men who have boys capable enough to work in a mill and earn thirty or forty cents a day. And another thing that helped to keep me down: a year ago this month I buried the oldest boy we had, and that brings things very expensive on a poor man. For instance, it will cost here, to bury a body, about \$100. Now, we could have that done in England for about £5. That would not amount to much more than about \$20, or something in that neighborhood. That makes a good deal of difference. Doctor's bills are very heavy, about \$2 a visit, and if a doctor comes once a day for two or three weeks it is quite a pile for a poor man to pay."

"They charge you as much as they charge people of more means?"

"They charge as much as if I was the richest man in the city

except that some of them might be generous once in a while and put it down a little at the end; but the charge generally is \$2. That makes it hard. I have a brother who has four children, besides his wife and himself. All he earns is \$1.50 a day. He works in the iron works at Fall River. He only works about nine months out of the twelve. There is generally about three months of stoppage, taking the year right through, and his wife and family all have to be supported for a year out of the wages of nine months—\$1.50 a day for nine months out of the twelve to support six of them. It does not stand to reason that these children and he himself can have natural food or be naturally dressed. His children are often sick, and he has to call in doctors. That is always hanging over him, and is a great expense to him; and, then, if he does not pay the bill, the trustee law comes on him. That is a thing that is not properly looked after. A man told me the other day that he was trustee for \$1.75, and I understood that there was a law in this State that a man could not be trustee for less than \$10. It seems to me there is something wrong in the government somewhere—where it is, I can't tell."

"How much money have you saved?"

"I have not a cent in the house; didn't have when I came out this morning."

"How much money have you had within three months?"

"I have had about \$16 inside of three months."

"How much have you had within a year?"

"Since Thanksgiving I happened to get work in the Crescent mill, and worked there exactly thirteen weeks. I got just \$1.50 a day, with the exception of a few days that I lost, because in following mule-spinning you are obliged to lose a day once in a while; you can't follow it up regularly."

"Thirteen weeks would be seventy-eight days, and, at \$1.50 a day, that would make \$117, less whatever time you lost?"

"Yes; I worked thirteen weeks there and ten days in another place, and then there was a dollar I got this week, Wednesday."

"Taking a full year back can you tell how much you have had?"

"That would be about fifteen weeks' work. Last winter, as I told you, I got in and worked up to somewhere around Fast Day, or may be New Year's Day; anyway, Mr. Howard has it down on his record, if you wish to have an exact answer to that question; he can answer it better than I can, because we have a sort of union there to keep ourselves together."

"Do you think you have got \$150 within a year?"

"Well, I could figure it up if I had time. The thirteen weeks is all I have had."

"That would be somewhere about \$133, if you had not lost any time? That is all you have had to support yourself and wife and two children?"

"Yes, sir."

"Have you had any help from outside?"

"No sir."

"Do you mean that yourself and wife and two children have had nothing but that for that time?"

"That is all. I got a couple of dollars' worth of coal last winter and the wood picked up by myself. I go around with a shovel and pick up clams and wood to help out."

"What do you do with the clams?"

"We eat them. I don't get them to sell, but just to eat for the family. That is the way my brother lives too, mostly. He lives close by us."

"How many live in that way down there?"

"I could not count them they are so numerous. I suppose there are one thousand down there."

"A thousand that live on \$150 a year?"

"They live on less."

"How long has that been so?"

"Six years this month."

"Why do you not go west on a farm?"

"How could I go? Walk it?"

"Well, I want to know why you do not go out west on a \$2,000 farm, or take up a homestead and break it and work it up, and then have it for yourself and family?"

"I can't see how I could go out west if I have nothing to go with."

"It would not cost you over \$1,500?"

"Well, I never see over a \$20 bill, and that is when I have been getting a month's pay at once. If some one would give me \$1,500 I will go."

"Is there any prospect that any one will do that?"

"I don't know of anybody that would."

"You say you think there are a thousand men or so with families that live in that way in Fall River?"

"Yes, sir; and I know many of them. They are around there by the shore. You can see them every day."

"Are you a good workman?"

"Yes, sir."

"Were you ever turned off because of misconduct, incapacity or unfitness for work?"

"No, sir."

"Or because you made any trouble among the help?"

"No, sir."

"What would you work for if you could get work right along?"

"Well, if I was where my family could be with me and I could have work every day I would take \$1.50 a day and be glad. I would not have to pick up clams. I have had no coal, except one dollar's worth, since Christmas."

"When do the clams give out?"

"They give out in winter."

"What do you have for fuel?"

"Wood or coal."

"Where does the wood come from?"

"I pick it up along the shore. Any old pieces around that are not good for anything. There are many more that do the same thing."

"Do you get meat to live on much?"

"Very seldom."

"What kind of meat do you get for your family?"

"Well, once in awhile we get a piece of pork and some clams and make a clam-chowder. We sometimes get a piece of corned-beef, as some of us like that."

"Have you had any fresh beef within a month?"

"Yes, we had a piece of porksteak for four of us yesterday."

"Have you had any beef within a month?"

"No, sir. I was invited to a man's house on Sunday; he wanted me to go up to his house and we had a dinner of roast pork."

"That was an invitation out; but I mean, have you had any beefsteak in your own family, of your own purchase, within a month?"

"Yes, there was a half pound, or a pound on Sunday."

"And there were four of you in the family?"

"Yes, sir."

"How many pounds of beefsteak have you had in your family within this year?"

"I don't think there has been five pounds of beefsteak in a whole year?"

"You have had a little porksteak?"

"We had a half pound of porksteak yesterday; I don't know when we had any before."

"What other kind of meat have you had during the year?"

"Well, we have had corned-beef on Sundays for dinner, and some cabbage; that's all I can remember of."

"What have you eaten?"

"Well, bread, mostly, when we could get it; we sometimes couldn't make out to get that, and have had to go to bed without a meal."

"Has there been any day in the year that you have had to go without anything to eat?"

"Yes, sir, several days."

"More than one day at a time?"

"No, sir."

"How about the children and your wife; did they go without anything to eat too?"

"My wife went out this morning and went to a neighbor's house and got a loaf of bread and fetched it home, and when she got home the children were crying for something to eat."

"Have the children had anything to eat to-day except that, do you think?"

"They had that loaf of bread; I don't know what they have had since then, if they have had anything."

"Did you leave any money at home?"

"No, sir."

"If that loaf is gone, is there anything in the house?"

"No, sir, unless my wife goes out and gets something; and I don't know who would mind the children while she goes out."

"Has she any money to get anything with?"

"No, sir."

"Have the children gone without a meal at any time during the year?"

"They have gone without bread some days, but we have sometimes got meal and made porridge of it."

"What have the children got in the way of clothing?"

"They have got along very nicely all summer, but now they are beginning to feel quite sickly. One has one shoe on, a very poor one, and a slipper that was picked up somewhere. The other has two odd shoes on, with the heel out. He has got cold and is sickly now."

"Have they any stockings?"

"He had two stockings, but his feet comes through them, for there is a hole in the bottom of his shoe."

"What have they on the rest of their person?"

"Well, they have a little calico shirt; what should be a shirt; it is

sewed up in some shape, and one little petticoat, and a kind of a little dress."

"How many dresses has your wife?"

"She has had one since she was married, and she hasn't worn that more than half a dozen times; she has worn it just going to church, but when she comes back she takes it off, and it is pretty near as good as when she bought it."

"She keeps that dress to go to church in?"

"Yes, sir."

"How many dresses aside from that has she?"

"Well, she got one three months ago."

"What did it cost?"

"It cost \$1 to make it, and I guess about \$1 for the stuff, as near as I can tell."

"What else has she?"

"Well, she has an undershirt that she got given to her, and she has an old wrapper which is about a mile too big for her; somebody gave it to her."

"Have you had \$1 or \$2 worth of coal for the winter?"

"I think it was a quarter of a ton last winter; I believe it was \$2.25 worth."

"You say that a good many others are situated just like yourself?"

"Yes, sir; I should say as many as a thousand down in Fall River are just in the same shape, if not worse; though they can't be much worse. I have heard many women say they would sooner be dead than living. I don't know what is wrong, but something is wrong. There is an overflow of labor in Fall River, I guess."

"Why do not these people go out west upon farms and go to farming?"

"They have not the means. Fall River being a manufacturing place, it brings them there; and when the mills in other places stop for want of water, that brings them to Fall River. I think there are quite a lot of them from Lowell and Lawrence."

"Is there anything else that you want to say to the committee?"

"Well, as regards debts; it costs us so much for funeral expenses and doctor's expenses; I wanted to mention that."

"You have stated that. It is clear that nobody can afford either to get sick or die there."

"Well, there are plenty of them down there that are in poor health, but I am in good health and my children generally are in fair health, but

the children can't pick up anything and only get what I bring to them."

"Are you in debt?"

"Yes, sir."

"How much?"

"I am in debt for \$15 of those funeral expenses since a year ago."

"You live in a hired tenement?"

"Yes; but, of course, I can't pay a big rent. My rent is \$6 a month. The man I am living under would come and put me right out, and give me no notice whatever, if I didn't pay my rent. He is a sheriff and auctioneer man. I don't know whether he has any authority to do it or not, but he does it with people."

"Do you see any way out of your trouble; what are you going to do for a living, or do you expect to stay right there?"

"Yes, I can't run around with my family."

"You have nowhere to go to, and no way of getting there if there was any place to go to?"

"No, sir; I have no means nor anything, so I am obliged to stay there and try and pick up anything as I can."

"You don't know anything but mule-spinning, I suppose?"

"That is what I have been doing, but sometimes I do something with pick and shovel. I have worked for a man at that, because I am so hard put. The way they do there is this: There are about twelve or thirteen men that go into a mill every morning, and they have to stand their chance looking for work. The man who has a boy with him, he stands the best chance; then if it is my turn or a neighbor's turn who has no boy, if another man comes in who has a boy, he is taken right in, and we are left out. I said to the boss once: 'It is my turn to go in, and now you have taken on that man; what am I to do? I have got two little boys at home, one of them three and a half years, and the other one a year and a half old, and how am I to find something for them to eat? I can't get my turn when I come here.' He said he could do nothing for me. I says, 'Have I got to starve? Ain't I to have any work?' They are forcing these young boys into the mills that should not be in the mills at all; forcing them in because they are throwing the mules out and putting on frame-rings. They are doing everything of that kind that they possibly can to crush down the poor people, the poor operatives there."

The *New York World*, which has given to the subject of "pauper labor" special attention, thus describes the condition of the poor girls employed in one of the highly protected silk ribbon factories of that city:

Amid the busy hum and whirl of a hundred looms some four times that number of girls were plying their deft fingers.

The employes of the factory numbered 550, and with the exception of the weavers at the looms and the foreman and packers, all were women and girls. The majority were girls of from thirteen to eighteen years of age, the older girls and the women of course doing the more important work. The girls and women were, without exception, spotlessly clean and neat.

A few questions put to the proprietor of the factory brought out the cold, hard facts that the working hours for the girls and women were from seven o'clock till six, winter and summer alike, and their wages from \$3 to \$7 a week.

The rest might have been conjectured, but the reporter seized a moment when one of the warping machines was quiet and approached the girl in charge, a little damsel of apparently sixteen or seventeen years.

"I get \$3 a week," she said. "I had to work three weeks here for \$1 a week. It took me that long to know how to watch the spools. Then they gave me \$2.50, and last month they raised me fifty cents.

"I have a sister two years older than myself. She works in a paper-box factory, and cannot earn more than \$2.50 a week. Our mother goes out washing, and the three of us together earn enough to keep us.

"This work is not very hard, but I have to get up at half-past five o'clock in the morning. It's quite dark now when we get to work. We have a Saturday half-holiday, but we get paid 50 cents less every week than if we had to work that afternoon.

"I shall be eighteen years next birthday. No, of course I should not be able to live on my earnings if I were alone. It's only by living with my sister and mother that we can get along; but I shall get a raise to \$3.50 next week, and if I get on they will give me better work and \$5 a week soon."

To close this unattractive chapter on the life of our wage workers the following on the highly protected "labor" in some of the great industries of New York city, drawn by the New York *Herald*, is added :

"The gulf that separates the custom workman from the unfortunates who make up ready-made clothing seems all but immeasurable.

"Not in pleasant homes nor in comfortable workrooms are the latter to be found, but in dingy, foul-smelling rear houses, in moldy cellars, in crumbling garrets or in the noisome, cramped and crowded rooms of those traps — the tenement houses of New York, where men

women and children are huddled together at the rate of over two hundred thousand to the square mile; where hope perishes and where it seems impossible to live, much less to work.

“Here their lives are passed, forever engaged in a fierce struggle with want. Slaves of poverty, bound with fetters they cannot break, held fast in the iron grip of circumstances, they toil on instinctively until the release comes.

“The average earnings of men and women do not exceed \$6 a week the year round, and for this miserable pittance they must labor from twelve to sixteen hours a day throughout the busy season. Then come the three idle months during which they live—well, as best they can, for they have no surplus from nine months’ work, their earnings then being barely sufficient to keep body and soul together. Through the streets of the city they plod, looking for work, and in their wretched, cheerless houses they rest, waiting for work.”

Now talk about “pauper labor in Europe!” Talk about the high tariff being the only barrier against the reduction of the wages of the American workmen to the basis of the starvation wages of England! Talk about the “blessing” of protecting American labor against the competition of foreign paupers!

To “protect,” so it is alleged, American tailors and to raise their wages, there is a duty of forty per cent levied on ready-made clothes imported from abroad, or forty cents on every dollar’s worth of goods, or \$4 on each \$10 worth. Now how much of this does the American tailor get? Not a penny—not a farthing. His wages are shown to be about the same as those paid in London, while in fact his living is more expensive. The American manufacturer, having squeezed down his wages to the “pauper labor” basis, levies and collects from the people of this country a tax of forty cents on each dollar’s worth of ready-made clothing, and for the most part shoddy and worthless clothing at that, and pockets it.

But, perhaps, the worst picture and the most striking refutation of the claim that protection secures to the

laborer steady work at good wages, is shown by the following, taken from the same journal :

“The condition of the laborers in the sugar refineries is literally that of ‘white slaves.’ The lowness of their wages is by no means the sum of their hardships. In no occupation is the toil more exhausting, in none so oppressive, in none more beset with menace to the health, or even to life and limb.

“There are rooms in a sugar refinery where the temperature is kept at 160° year in and year out. Of course that is nothing in the hottest chamber of the Turkish bath. But you would think it was something if you had to endure it day after day or night after night, from ten to twelve hours at a time, and not only to endure it but to earn your daily bread by toiling in this horrible heat.

“The average wages is \$30 a month to a man.

“Thirty dollars a month! And nearly all of them are men of family, men with wives to render happy and with children to clothe and to bring up in ways of decency and intelligence.

“Since the last strike the wages of the sugar refiners have been a trifle, only a trifle, better than they were before. They are now fourteen and a half cents an hour. Think of that, when the meanest ‘longshoreman’ gets sixty cents an hour and the commonest hod-carrier \$1.50 a day. And the sugar refiner obtains no difference of wages whether he work day or night, while the ‘longshoreman’s’ night pay is a good deal more than he receives for day labor.

“Before the strike the men in larger refineries were paid only thirteen and a half cents an hour and those in some of the smaller ones but twelve and a half cents.”

An Englishman who had quit the business, when asked concerning the comparative condition between the sugar refineries in this country and in England, said :

“If I were to work in a sugar refinery again I would much prefer to do so in England. You can live better there on the wages which they give you than you can here. Twenty-two shillings a week amounts to eighty-eight cents for each working day. Mind you, you have regular employment there, too, the year round. Here, if you were sure of the fourteen and a half cents an hour, miserable pay as it is in comparison with that of other occupations, it would be something worth striving for to men in our poor condition. It is just there where the shoe pinches at the present time. The ‘bosses’ are bent upon getting

their own prices for sugar and are cutting down the production. They don't care a rap how much it affects the poor workingmen. You have been told that one half of the journeymen sugar refiners were idle. Worse than this. Many of those who are not idle are not allowed to work half their time. Some of them get only three, four, or five hours at a time. How far will that amount of labor go toward supporting a man, think you, let alone a wife and family? Why, there are poor fellows whom I know, married at that, who have not managed to make more than \$20 or \$25 a month for many months past. The average I should say, is about \$30 per month. There are some, of course, who are old workmen and who stand best with the 'bosses' who make from \$39 to \$44 a month. But isn't it monstrous that that should be the highest wages to which a good man may attain after years of hard toil and faithful service?

"What the men complain of most, however, is the lack of work. And they would be a great deal more cheerful if they even got paid for all the time that they devote to the service of their employers. It's a regular thing for a man to be 'docked' for a quarter of an hour at the end or in the middle of his day. The men are asked to be at the refinery at certain hours. What can they do with these little fag ends of hours that are left them when the foreman bids them go for the day?

"Think of 'docking' these poor fellows who make only fourteen and a half cents an hour, three and five-eighths cents for fifteen minutes not employed? I left the business because I don't think that any man who calls himself a man should be content with fourteen and a half cents an hour.

The foregoing are only isolated cases, but they are sufficient to convey a general idea of the deplorable condition of the working people in our most highly protected industries. The reports of special newspaper correspondents, and the sworn statement of these intelligent operatives simply corroborate the numerous reports which have almost daily been published during the last ten years; and the fact that such cases of destitution and misery as the above are never heard of among the unprotected farmers, and but few among the other laborers employed in unprotected trades and occupations, must

convince every reflecting mind that protection is not a blessing but is the curse of American labor.

Moreover these damaging facts to the claims of protectionists have never been denied and, indeed, cannot be denied. These people are the living monuments of the heartlessness and cupidity of a privileged class. Suppose their assertions were admitted, that the workers in England are in a worse condition than ours, is there not a world-wide difference between the natural conditions of the two countries to account for it? England is a small, overpopulated island, with iron and coal as her only natural resources.

America is a land immense in extent, sparsely settled, endowed with natural wealth and advantages unsurpassed by any other country on the globe. In making **invidious** comparisons between the condition of the workers in both, the protectionists are adding insult to injury. Such pictures of human misery and wretchedness as the above should not be among the possibilities in America. There are many reasons why affluence and comfort should be the exceptions among the working classes of England, while there is absolutely no excuse why in the United States plenty should not be the rule.

And what is the principal cause of this anomaly? It is not so much insufficiency of wages as *insufficiency of work*.

The Fall River "clam-picker" stated the question most tersely when he said: "I would be perfectly satisfied with \$1.50 a day, if I had work all through the year." And why this lack of work? England is selling five hundred yards of woolen and cotton fabrics to foreign nations where we sell but twenty, and all other manufactured articles in proportion.

Is the Englishman such a superior business man? Has he more good sense; has he greater spirit of enterprise? Are the managers of his mills more efficient and inventive than ours? No; but instead of confining his trade within England's realm, and instead of insisting on cash sales, he trades everywhere at a profit. He trades his cotton goods and miscellaneous wares at a profit with the merchant of Peru for copper. He trades his cutlery and dry goods in Buenos Ayres for the hides, tallow and wool of the Argentine Republic. He gives steady work to thousands of laborers in manufacturing his copper into utensils, and the Argentine hides into leather, which he then trades at a profit with the Frenchman for wines, silk and jewelry which he sells at a profit at home, and the wool he sells at a profit for cash, or trades for agricultural produce in New York; proceeds to New Orleans and buys cotton at the same figure his Yankee competitor buys it for, takes it home, setting his countless operatives to work it up into fabrics for the markets of the United States and the rest of the world. But the Englishman has this one additional advantage over all his competitors: his government throws no obstacle in the way of his trading propensities; it gives him free scope in providing his manufacturing friends in Birmingham, Sheffield, Manchester, and on the Clyde, with all the raw material required, without taxing it a penny.

Suppose the American government should resolve to pursue a similar liberal policy? Is there a reasonable ground for doubt, that, in possession of the enormous natural advantages over those of Great Britain, we would not soon outstrip that country in the race for commercial supremacy, secure an abundance of work for our laborers, and thus put an end to pauperism in the manufacturing centers of the United States?

THE EFFECT OF PROTECTION UPON UNPROTECTED LABOR.

THERE is some plausibility in the claim of protectionists that the laborers employed in the coal and iron mines, in the furnaces and rolling-mills, the cotton and woolen-mills, and other manufacturing industries (the products of which are protected by high import taxes), receive some benefit from that protection, and there may be some excuse for the belief of the miner or mill operative, that a system which increases the profits of his "boss" has the effect of increasing his wages, and for him to grow enthusiastic over that system; but how a person employed in the building or the thousands of other unprotected trades and occupations, or a farmer, or laborer, who receives not one cent's benefit from this system, while it increases everything he buys, can "enthuse" over it, is absolutely incomprehensible, and vividly reminds one of the stupid "white trash" of *ante bellum* times.

Only a quarter of a century ago the slave-holders claimed that it was in the interest of the negro that he robbed him of his labor, and the three million "white trash" who suffered most from the effect of the peculiar institution, lustily re-echoed that claim.

To-day the iron and coal lords of Pennsylvania are setting up the claim that it is in the interest of their workmen that they ask protection for their product, and a majority of the fifteen million unprotected farmers and workingmen, who are among the chief victims of this system, are at the same time its staunchest supporters.

There is no difference in principle and effect between the ignorant white trash champion of slavery times, and the ignorant, white labor champion of protection of to-day.

Any sane man, giving this subject but a moment's reflection, must perceive that the only American labor that can receive any possible benefit from protection is the labor employed in making goods similar to those that are imported.

It would be as useless and as absurd to lay import duties upon articles that from the nature of things cannot be imported, as it is to lay a duty upon articles that *are* not imported, such as upon wheat and other agricultural products, of which we have a surplus to sell.

An article produced or service rendered in this country cannot be protected against a similar article produced or similar service rendered abroad, unless this foreign article or service can be brought in competition with the home article or service, and the wages of labor employed in producing such articles or in rendering such services can, therefore, not possibly be affected by a tariff on imports, high or low.

Brick or stone buildings, for instance, cannot be imported, and as long as the European "pauper builder" stays and works in Europe, he cannot compete with the American builder; our masons, bricklayers, carpenters, roofers, plumbers, plasterers, painters and all other workmen employed in the building trade, or in rendering personal services, cannot in the nature of things be protected by a tariff on houses, and it is the height of impudence to insist that the protective system can or does affect, favorably or unfavorably, directly or indirectly, the wages of any man employed in any of the various branches of the

building trade, or the thousands of occupations entirely disconnected from manufacture or mining.

To be sure, the "pauper carpenter," bricklayer, plasterer, etc., may come across the Atlantic and bring his labor to this country free of duty, to compete with the labor of American workmen, by offering to work for lower wages.

There are no laws in the United States protecting labor in the building trade against an overflow of "foreign pauper labor." There is absolute free trade in that.

This holds good for all unskilled labor of the country, whether employed in protected industries or not; whether engaged in tilling the soil, handling the spade, or swinging the ax. It holds good for the great mass of the American laborers employed upon the farms, upon our streets or in the shops, in trade and transportation as well as those rendering professional and personal service. The unprotected classes, form the largest majority of the producers, such as merchants, tradesmen and mechanics of the country; they are the rule, the protected few the exception.

In order to make this statement clear, let us take a few occupations and examine the claims made by the protectionist, that the labor therein employed is benefited by the protective system.

"Claim Every Thing" is the shibboleth of protectionism, but it will hardly do to claim that European railroad, express and inland navigation companies, and the "pauper labor" therein employed, can by any possible device be brought into competition with similar companies and its labor in this country. To be sure, the "European pauper" employed in that line of business may come to this country and import his labor faculties

free of duty, and being accustomed to work for "pauper wages" and to live upon cheaper food, he may, as is claimed, very profitably be used by our transportation magnates in "bearing" this particular labor market, and in compelling their employés to submit to a cut in wages.

Now, will some acute protectionist inform us what earthly benefit it is to any of the million of men employed in the transportation business, that the product of the cotton and woolen manufacturer, of the iron and coal operator, and of the whole tribe of subsidy beggars is *protected* by the Federal government from 50 per cent to 150 per cent against the product of their foreign competitors? The benefits are all the other way, and every person employed in transportation is tributary to the manufacturer to the amount of the increase in the price of the commodities he has to purchase.

According to the last United States census there were in 1880 two million persons classified as laborers. Their tools are very simple; they consist of the shovel, the spade and the pick, the saw and the ax, the spur and the whip. They are our daily toilers, doing the work which requires great physical exertion. They clean our streets and sewers, dig our trenches, throw up our railroad embankments, drive our teams and take care of our horses, split our wood, load and unload our vessels and freight cars — in short, they perform the toilsome drudgery of the American people.

All this labor has of a necessity to be done here, and "European pauper labor" cannot possibly compete with the American laborer, and it is adding insult to injury to tell him that the rate of his wages depends upon the amount of import taxes piled upon the things he must buy.

The only way in which the foreign pauper laborers can

be brought into competition with our American labor is by shipping them to this country, which is done to a liberal extent by the bosses of our protected industries.* Hundreds of thousands of these laborers are yearly landing at Castle Garden under the system of *absolute free trade*, immediately to compete with similar American laborers, and by overcrowding the labor market are breaking down the wages of our own labor. Now let us suppose the protective system were wiped out; cheap European commodities permitted to come in at a low duty, compelling the home manufacturer to lessen his profits by lowering the price of his goods; is it not plain, as far as these two million of laborers are concerned, they being mainly consumers, that they would be immensely benefited by the change?

From the same census report it appears that in 1880 1,075,653 persons earned their livelihood as domestic servants. The rate of wages of these people differs according to circumstances and locality.

When gold was discovered in California there was hardly a limit to the prices paid for domestic service; \$5 nor \$10 a day commanded the best.

*About a year and a half ago there was a strike of the cigar-makers of the city of Milwaukee. They were striking for an increase. At that time the manufacturers there accorded the demands of the cigar-makers, except one firm, which, being the largest, declined to fall in. As a consequence, the other manufacturers, who had already acceded to the wishes of the strikers, were induced to lock them out and not to re-employ them while they continued to belong to the "union" or would insist upon an increase of wages. This result accomplished, the advertising began throughout the country for cigar-makers to go to Milwaukee—this firm, at the same time, sending agents to Germany to insert in the public papers very rose-colored pictures of Milwaukee and the surrounding country, of the advantages of employment offered by them, etc. This was not only done, but circulars were sent out, and the consuls of the United States, stationed in the different parts of Germany, indorsed these rose-colored pictures and descriptions with their signatures and with their official seals. A very good use was made of the representatives of this country in Germany, it will be seen, to assist in defeating and undermining the workmen in Milwaukee.—*Report of the U. S. Committee on Labor and Capital.*

In Chicago, or in any other large city, the wages of domestic servants, both male and female, are higher than in the smaller towns in the country. Has the protective tariff anything to do with that? And if domestic servants in this country earn, on an average, ten times the wages paid in Germany for the same labor, is it on account of protection, or is it because there are ten persons in Germany to one here willing to do the work of a domestic servant?

There is absolute free trade in domestic labor, and if all indications do not deceive, the European "pauper servant" will soon overflow this country and will cause a reduction of wages, even if all importation of foreign goods are prohibited. Protection to the one million servants of the country means no more nor less than fifty per cent additional cost for every article they must buy.

Under the classification of manufacture and mining the last census report enumerates 172,726 blacksmiths.

Now, it would probably puzzle Mr. "pig-iron" Kelly himself, if he were asked to exactly state where the benefits of the protective system to a blacksmith come in. Our horses and mules can not conveniently be shipped to Europe to be shod by some "pauper blacksmith" for one-quarter of the amount that it costs here.

There is one way, however, in which this horse-shoeing may be made cheaper, in spite of the high tariff on horse-shoes, nails, coal and the smith's tools, and that is, by bringing the "pauper blacksmith" from Europe to this country, on the free-trade-in-labor plan, in sufficiently large numbers to create a surplus over the demand of that particular labor here, when increased competition among the blacksmiths will enable the bosses to "bear" the wages.

If the solicitude of the protectionists for American workingmen is genuine, why do they not ask Congress to lay a heavy tax on the import of pauper blacksmiths? Their solicitude is a fraudulent pretense by which blacksmiths, the same as all other toilers, are fooled into the support of the so-called "Protection to American Labor" folly.

The same census furnishes the information that 44,851 persons are devoting their time to the useful occupation of barbers. The average price for a shave in large cities is fifteen cents, and ten cents in the country towns. In Germany the same service may be obtained for less than one-third the amount, or four or five cents.

Will any protectionist assert that it is the protective system which enables the American barber to obtain three times the amount charged in Germany for the same service? Is it not mainly because in Germany people shave themselves to a large extent, while in busy America, where time is money, it is cheaper to be shaved? Consequently, barbers here are in more demand, while the supply is limited. Increased demand in services, the same as increased demand in goods, is always followed by an increase in wages.

Now, if these 44,851 barbers are so fortunately situated as to obtain three or four times the wages their less fortunate fellows obtain in Europe, are they in any way indebted to the prevailing system of protection for this special advantage, and have the men in charge of, or who are employed in any other industry, the right to demand that each one of these barbers contribute a part of his earnings, say one or two cents from each shave, to the support and encouragement of some other particular industry, and without a farthing's equivalent in return?

The claim is too flimsy to be earnestly considered by anybody.

The census says that in 1880 our flouring-mills occupied 53,440 millers. Suppose these millers earn \$2.50 a day on the average, while the European miller earns only seventy-five cents a day. How is the American miller to be protected against the pauper miller of Europe?

It would be an expensive business for us to send our grain to Europe to be made into flour by the European miller and shipped back again. But even if it were possible, it would not be profitable, for, although we are paying our millers three times the wages paid to millers abroad, owing to our natural advantages and the superior skill and intelligence of our mill operators, American flour undersells in the markets of Liverpool the "pauper" flour of every other country.

Nothing can *protect*, that is, can increase the American millers' wages but an enlarged market for his product. The more flour we export the more millers we need. If the demand exceeds the supply, a rise in wages is inevitable.

The last United States census enumerates 79,625 engineers and firemen. It would probably tax the ingenuity of the "smartest" protectionist to tell us how the wages of these 80,000 American laborers can be so threatened by the cheap wages of the European "pauper engineer and fireman" as to require "protection."

Our engines cannot conveniently be "fired" and "run" from Europe with their cheap "pauper engineer and fireman" labor. All that work has to be done here. The only competition, and a consequent reduction in wages, this class of labor has to fear, is the labor of the European "pauper engineer and fireman," which, under the free

trade system in labor is imported into this country by thousands.

Is it due to the protective system that the 85,671 physicians and surgeons, the 227,710 teachers, the 30,477 musicians, enumerated in the last census, receive on the average double and triple the remuneration similar service commands in Germany?

No, it is due to the exceptional natural advantages this country has over those of any other country in the world. And as these useful classes of our population cannot obtain any possible benefit from protection, why should they be taxed upon their necessities for the benefit of some manufacturer?

They are all willing to contribute their share to the support of the government, but every dollar taken from them for the benefit of another citizen is simply robbery.

The last census enumerates 380,718 persons as clerks. It will not be maintained that the wages of these clerks, whose labor has necessarily to be done here, can be protected against the cheap wages of the "pauper clerk" in Europe by a tariff on imports. It is a plain matter of supply and demand. If trade is brisk the demand for clerks will increase and so will their wages, provided the supply in clerks is short.

But, as agriculture is being discarded by "Young America," and the trades-unions step in and prohibit our young boys from learning a trade, clerical help will soon be a drug in the general labor market of the country, when the wages of this class may fall below the wages of the pauper clerks in overcrowded Europe.

The washing of our dirty linen by the 121,942 laundressers and washwomen enumerated in the last census is much more expensive here than in Europe. But the "pauper

launderers" of the old country who would do the work for less than one-half cannot, as long as they remain there, possibly compete with the American labor employed in washing. There being no competition, there can be no protection against it.

But, on the other hand, protection enhances the price of every article the launderers have to purchase fifty per cent on the average, consequently reducing the amount of their earnings just that much.

Of what benefit is it to the 64,678 clergymen enumerated in the last census that, by a shrewdly-devised system of taxation, the manufacturer of cloth is placed in a position to charge fifty or seventy-five per cent more for the clothes he is obliged to appear in upon a Sunday?

Does the cloth manufacturer divide the extra profit obtained through protection among the preachers?

But it is useless to continue these illustrations; the remarks made in reference to each applies with equal force to all the 4,047,238 persons enumerated in the last census under the head of professional and personal services; to the 1,819,256 persons enumerated under the head of trade and transportation, and to over *half* the persons enumerated under manufacture—as, for instance, the 41,309 bakers, the 194,079 boot and shoemakers, whose employers could compete with any shoemaking employers in the world if they were not heavily taxed by the duties on raw material, the 373,143 carpenters and joiners, the 49,138 coopers, the 34,536 employés (not specified), the 41,352 fishermen and oystermen, the 102,473 brick and stone masons, the 128,556 painters and varnishers, the 22,083 plasterers, the 72,726 printers, lithographers and stereotypers, the 77,050 saw-mill employés and the hundreds of thousands in numerous other trades.

EFFECT OF THE PROTECTIVE SYSTEM ON MANUFACTURERS.

IF, as I have endeavored to show, the protective system does not promote the general prosperity of the country, that it injuriously affects the farmer, that it does not benefit labor employed in protected industries, while it robs unprotected labor of half of its earnings through the increased price of the necessities of life, the system ought, at least, to possess the quality of benefiting the industries for which it was established.

Now, if I am able to show that while protection enriches a few of the manufacturers and mine owners it injures the many, that the tax upon the raw material of the manufacturer prevents him from competing in foreign markets, that it impedes the progress and full development of our industrial resources, that it robs labor of its opportunities for steady employment, that it places a premium upon the production of shoddy, worthless articles, that, by destroying competition, it fosters combinations and monopolies, and the organization of powerful trusts, to the extortion of the consumers, and to the detriment of individual thrift and enterprise, and last, but not least, that it has the pernicious effect of dividing the people of the United States into two antagonistic classes, then I believe I have proven my case.

As has already been shown, the exorbitant increase of the tariff rates during the needs of the late war, causing a falling off in the importation of foreign articles, had the

immediate effect of increasing the demand for the home-made product. The wastefulness of a prolonged war, the steady flow of immigration to the United States, and, later on, the needs of the recuperating South, all served to keep this demand in excess of the supply.

Attracted by the enormous profits realized, capital began to drift into numerous manufacturing enterprises; the facilities of old factories were enlarged, new ones established, and supplied with modern and more effective machinery.

The causes above enumerated, added to the speculative period of railroad extension and a depreciated currency, had the effect of keeping prices stationary. Times were good and the people apparently prosperous. Labor found ample and remunerative employment, and the manufacturers and corporations realized immense fortunes.

But when these extraordinary demands were supplied, and all the railroads needed and many that were not needed had been built, the home market for iron and the various manufactured products became "glutted," and as a consequence, in 1878 the inflated manufacturing balloon exploded with a crash. The sad story of that period is well remembered in every household in the land, for but few were left unharmed. It was a period of bankruptcies, of financial ruin and desolation. Protection was thus brought face to face with its logical effect—over-production followed by industrial paralysis. This period was forcibly described by Gen. Banks, who, upon the floor of Congress, said:

"Business is suspended. The people do not buy and they do not sell. They are holding their breath, waiting for what may possibly be the result of the action of Congress upon these subjects, or for some fortunate and

fundamental change in the condition of financial and public affairs — a change that I fear will not come. This year must be one of calamity to the government, as it is of financial and industrial depression and distress to the people in all parts of the country. The signs of it are all around us; multitudes out of employment; labor strikes threatened or inaugurated of unprecedented magnitude in this country and in Europe; savings banks tottering; unpaid taxes accumulating with frightful rapidity; debts increasing; property diminishing in value; confidence wanting and hope failing; stay laws suggested or enacted; and too frequent suggestions of communism and revolution awakening."

To Mr. Banks' gloomy picture may be added that of the Hon. Wm. M. Evarts, Secretary of State, under President Hayes, an ardent protectionist, who in his annual report said:

"Out of 1,714 blast furnaces, 478 are out of blast, in all representing \$400,000,000 capital."

Add to these the closing up of thousands of various manufacturing establishments and mines for good, or for longer and shorter periods, the universal cutting of wages, and the throwing out of employment of hundreds of thousands of workmen, who, as "tramps," filled the highways of the country, and whose physical needs served to create a state of insecurity in the land, and the picture will be completed.

This period was but the natural result of the government's hot-house policy, and it is easy to see that a comparative few manufacturers, those only who were able to weather the storm, were the beneficiaries of the fifteen years of protection, while some of the people who had been prosperous enough to save a few dollars during this

historical period of inflation, now lost it through the collapse of savings banks, insurance companies and the shrinkage in railroad stocks.

This was the state of the country at the close of the last decade, a condition in which it might have remained indefinitely, but for the years of plentiful harvests immediately following.

FREE RAW MATERIAL.

Now, as to the second proposition, "that the tax upon the raw material of our manufacturer prevents him from competing in foreign markets, impedes the progress and full development of our industrial resources, and robs labor of its opportunities for steady employment."

I think I am safe in saying, that the most pernicious effect of this system upon the manufacturing industries of the country is the tax levied upon its raw material. This import tax, which also enhances the price of the home article from twenty-five to fifty per cent, naturally increases the cost of production to that extent, thus preventing our manufacturers from competing with the foreign producers, who obtain their raw material tax free.

The great staples upon which our principal industries are based, are iron, wool, cotton and coal.

There is hardly a finished article of any kind of which one or the other of these materials is not a component part, and consequently, any tax laid upon these materials is a tax upon every factory in the land, and is as much a tax upon the necessities of life as a tax would be upon bread and meat. But while it unjustly oppresses the American consumer, it has also the effect of shutting out the American manufacturer of finished goods from the benefits of the world's market, because his foreign competitor pays no such tax.

Take the iron industry, for instance. Consider for a moment the multiplicity of interests involved in transforming the crude material into the infinitesimal varieties of articles, from the huge naval iron-clad to the insignificant hair-pin; the thousands of large and small factories, keeping busy hundreds of thousands of hands! Think of the unremitting strain and ingenuity which taxes the brain of the managers of these various interests, in the endeavor to extend the market for their wares in competition with the English, German and French manufacturer, which they are now doing to a limited extent, * and then contemplate the action of our Federal government, which is doing its utmost to stifle these laudable efforts by authorizing the owners of a few iron mines and their railroad allies, to levy a tribute of \$7.00 a ton upon their raw material!

Aside from the impudent and absolutely fraudulent claim, that protection on iron ore and pig-iron is needed

* Testimony of Mr. D. B. Buford, of Rock Island, one of the most extensive and successful plow makers in the world, before the tariff commission: "There is not one article that we make, that is in the least benefited by the tariff. On the contrary, almost everything that we buy is enhanced by the tariff, and of course our customers, in turn, have to pay more for what they buy of us. Almost every manufacturer in the West labors under this disadvantage. We ship large amounts of our products abroad where we have to compete with foreign makers. Elsewhere we are compelled to enter the field and fight, hampered by increased cost of materials, caused by the duties upon iron and steel." Mr. Lucius Wells, formerly manager of Deere & Co., Moline, Ill., "which turned out 100,000 plows in 1881, says that the cost of every implement turned out by his house is enhanced 15 to 25 per cent by the present tariff, with no compensating benefit."

"The industries at Trenton are suffering from useless obstructions imposed by the existing tariff. I seek to remove the obstructions in order that the capital and labor employed in branches of business affected by them may have steady and remunerative occupation which is now impossible. The removal of the duty on scrap iron, for example, which benefits no existing interest whatever, would enable every idle train in Trenton to be run day and night, and the money which is now paid for foreign rods would be largely distributed among the working-classes of Trenton who are condemned to idleness through no fault of their own, and every business interest of the city would flourish in a corresponding degree."—*Speech of Hon. Abram S. Hewitt, at Trenton, N. J.*

against the pauper labor of Europe, there is no earthly reason why the producers of that material should be entitled to more favors than the producer of cotton, who gets along very well without protection.

Considering, that our iron ore is found almost on the earth's surface, consequently mined with greater facility and at less expense, there is no good reason why this material should be higher in price than in England.* At all events the additional expense of freight to bring it here would more than cover the difference in the price of labor.

* "There is no place in the United States, and *probably not in any other country*, where iron can be manufactured more cheaply than here." (Geolog. Survey of Ohio, Vol. III, page 174.) And again (Ibid. page 661): "In facilities for making iron, the owners of these lands are substantially independent of *tariff and panics*. There is really no danger that the price of iron will become so low that it cannot be manufactured at a profit."

* *The Pittsburgh Gazette* (high tariff) proclaims in tones of exultation that at last natural gas and superior workmanship have "overcome the low wages of England and other European countries." It goes on to tell, with much superfluity of words, how that Park Brothers, of the Black Diamond Steel Works, have established branch houses in six or eight of the principal cities of Europe, India and Australia, for the sale of the finer grades of steel, particularly that used in making edged tools. The cities referred to are London, Paris, Stockholm, St. Petersburg, Madras, Christiana, Dartmund, Sydney, Melbourne and Athens. The reader is assured that this "means business" on a large and increasing scale. He is further informed that such is the superiority of the Pittsburgh works in the production of these grades of steel, that Swedish iron is imported by the manufacturers, made into fine steel, and sent back to the country from which it originally came.

Now, it is exceedingly gratifying to know that Pittsburgh manufacturers can make tool steel and sell it in the markets of the world, including England, and ask no favors of competitors. That is the sort of thing in which Americans may justly take pride. And it is the sort of thing that we would witness on a far more extensive scale, if our manufacturers were not protected to death; that is to say, if they were not handicapped by tariff taxes on production, at every turn, as the Pittsburgh concern is, from the ore to the finished product. It would be still more gratifying to be fully assured that the Pittsburgh concern was engaged in straight and honest competition. It will not be so gratifying to learn that it is exacting from American purchasers the full pound of flesh allowed by the tariff, and thus making inordinate profits at home to enable it to sell to foreigners at a trifling profit. Full assurance upon that point would materially deepen the glow of pride with which one contemplates a signal industrial triumph achieved by Americans, even though they may be largely indebted to gas for their success.—*Chicago Times*.

The actual cost of producing a ton of pig-iron in Pennsylvania and Ohio has been variously estimated at from \$10 to \$13, but the statement of some of the most prominent iron manufacturers, in reply to a circular letter from the American Iron and Steel Association, the leading protectionist organization in the country, leaves no doubt upon that subject.

These gentlemen admit, that, "when wages were much higher, the actual wages paid for mining iron ore were \$2.81, and for the coal \$1.22. Adding 40 cents wages paid for quarrying limestone, we get the total labor for producing the raw material of one ton of pig iron to be \$4.43, instead of \$10.26, as claimed by the association. If, to the actual labor paid for mining the raw material, as given positively by the census—\$1.35 per ton, of ore, which the statistics of Mr. Swank, the general manager of the association, says averages fifty-five per cent metallic iron, and 79 cents per ton of coal, of which one and one-half tons are used to smelt a ton of pig—and to the labor of transportation, as estimated by the protectionist *Iron Age*, we add a profit of twenty per cent, the expenses at the furnace itself, and the sundry charges, we find that the real cost of the pig, per ton, will vary from \$10.50 to \$13, according as the business is conducted under economic management and with improved plant, or the reverse."

This statement is signed by J. B. Sargent, Sargent & Co., New Haven, Conn.; Edw. J. Shriver, New York; Graham McAdam, late president Cromwell Iron Company, New York; Lindley Vinton, president Vinton Iron Works, Indianapolis; M. D. Harter, treasurer and superintendent Aultman & Taylor Company, Mansfield, Ohio; John H. Miller, secretary and treasurer Schreidt & Miller

Company, Mansfield, Ohio; Isaac Harter, president Peerless Reaper Company, Canton, Ohio; W. G. Gibbons, Wilmington, Del.

Several iron furnaces in the Hocking Valley, Ohio, are now producing pig-iron at \$10 per ton. But of late years the South, with her eleven thousand square miles of coal beds, of iron ore and limestone, has entered the field and will prove a much more dangerous competitor to the iron lords of Pennsylvania than England.*

* Recent investigations of the cost of making pig-iron in the South throw additional light on this subject. Mr. R. W. Knott, of the *Louisville Courier-Journal*, cited in that journal in 1884 figures from the books of an Alabama furnace producing 1,786 tons per month, showing that pig was actually produced at a cost of \$9.77 per ton (including \$4.76 for coke, \$1.30 for ore, 80 cents for limestone, \$1.67 wages, 61 cents officers' salaries, 53 cents taxes, stock, fuel, and miscellaneous expenses). Mr. R. P. Porter, of the *Philadelphia Press*, protectionist, was sent South to counteract these figures, but his own report, in his paper of June 4, 1884, gave among his figures a cost of \$11.90 at Sloss furnace, \$9.20 Alice furnace, \$11.90 Cowan furnace. Mr. J. C. Bayles, of the *Iron Age*, in his presidential address at Chattanooga, before the American Institute of Mining Engineers, made an estimate of \$12.35, being for ore, \$3 (2 1-5 tons at \$1.25); for coke, \$5 (two tons, at \$2.50); for limestone, one ton, 85 cents; for wages and salaries, \$2.50; for interest and expense, 50 cents; for repairs and replacements, 50 cents. Since the furnaces at Birmingham, Ala., neither mine coal or ore, nor quarry limestone for themselves, but buy their materials, the cost of this part of the product is directly ascertainable by anyone who can get at the facts on the spot. Mr. Lindley Vinton, president of the Vinton Iron Works, Indianapolis, visited these furnaces in May, 1885, and describes the region as the most promising field for iron making in the world—rich coal in thick veins running horizontally near the surface, covering an area of 11,000 square miles; along its borders rich hematite and fossil ores and beds of limestone, its surface covered with forests for charcoal, the furnaces of the best models, with Whitwall stoves, and every facility for making the best use of the ore; limestone, coal and charcoal at the furnace-doors. The ore, a red and brown hematite, is delivered in the stock-house, guaranteed to contain 50 per cent of iron, at 90 cents per ton, limestone at 90 cents per ton, coal at \$1.15 per ton; "the material for a ton of iron can be purchased for from \$4.25 to \$5, delivered at the stock-house." Using Mr. Bayles' figures as to quantity, with actual figures instead of estimates of price, we have then for ore (2 1-5 tons, at 90 cents) \$1.98 instead of \$3; for coke (two tons, at \$2 to \$2.25) \$4 or \$4.25, instead of \$5; for limestone, 90 cents, instead of his 85 cents, a net decrease of \$1.37 or \$1.47, making the cost of material \$6.88 or \$7.38. The estimate for quantity of coke used is large. Adding Mr. Bayles' own estimate (\$3.50) for labor, salaries, expense and replacement, we have the total cost \$10.38 to \$10.88 per ton. Mr. A. S. Hewitt estimates the labor cost at furnace at \$1.40 per ton, a still further reduction. It was stated that the

In Bradstreet's market report, September 23, 1887, the selling price of our pig-iron was shown to be \$21 and \$22 a ton, or an additional profit of from \$9 to \$12 per ton. And for whose benefit? It is claimed that foreign ore and pig-iron are taxed to protect American labor. But how much of this extra price goes to the miner and iron-worker? Last year this same pig-iron was quoted at \$18, a net increase of \$3 per ton in one year. Have the wages of the men who did the work been increased one cent during that time? No, and as long as they believe that protection does increase their wages, there is no necessity for actually doing it. It is for no such purpose that the government of the United States

cost of ore to Mr. Morris was 25 cents per ton royalty (reaching as high as \$10,000 per acre to the Pratt Iron and Coal Company, owning the mines), 29 cents mining, 25 cents transportation to furnace, the selling price being 90 cents, delivered at stock-house. The monopoly of the Pratt Iron and Coal Company makes the cost of coke high, although the coal is mined by convicts whose wages are bare subsistence. Coke is quoted at \$2.25 per ton, but costs the furnace men in quantities nearer \$2, whereas, with a fair profit to the coal mines, it should not cost over \$1.25 to \$1.50. Connellsville coke is quoted in Pennsylvania at \$1.50 f. o. b., and has been as low as \$1.15. The figures of Southern production are criticised as making insufficient allowance for repairs and replacements, interest and adequate profit, and there is probably some force in these criticisms. But taking all these allowances into consideration, it is evident that pig can be made there profitably at between \$10 to \$11 per ton. The laborers at these furnaces and coke ovens, pets of "protection," are paid 75 to 90 cents, a few \$1 per day; but, taking the average wages paid according to the census report of 1880, when the coke chargers got \$1.49 and the laborer \$1.27 per day, and the labor figures were given as labor for mining 1.6 tons of coal 38 cents, coking 43½ cents, with an average consumption of 1¼ tons of coke per ton of iron; for mining ore 30 cents to \$1 per ton; limestone never over 40 cents per ton — Mr. Vinton figures the labor cost in a ton of iron at labor in coke 75 cents to \$1; labor in ore 60 cents to \$2; labor in limestone 20 cents to 40 cents; labor at furnace \$1 to \$1.50, a total of \$3.05 to \$4.90. All the rest of the cost of pig is cost of transportation of materials (partly labor), royalty to the mine-owner, interest and profit to the capitalist. The landholder, who has perhaps bought land of the government at \$1 to \$5 per acre, is the great beneficiary of the protective system. Next to him come the transportation companies, with their watered stocks and monopoly tariffs. It is their partnership which causes the \$25 shares of Lake Superior mines to sell at \$300, while laborers get \$1 a day or less.

From Secretary Manning's Report.

stands guard at the frontier and prevents foreign ore from being brought in in competition with American ore.

It is for the sole benefit of the handful of owners of ore-lands and the powerful railroad magnates, that our iron and steel industries are prevented from supplying Mexico, South America and the rest of the world with their miscellaneous fabrics, and our workingmen are robbed of steady and lucrative employment.

There is but little difference in the actual cost of production between England and the United States, which is proven by the fact that during the crisis of 1879 Pittsburgh manufacturers were enabled to sell iron as low, or nearly so, as it was sold in England. Mr. John P. Verrie, representing the Philadelphia Iron and Steel Company, testified before the Tariff Commission, "that even to-day (1882) Pittsburgh is selling iron in the East at \$10 a ton less than the same iron can be imported for. So that it is *not a question of competition any further with foreign manufacturers; it is a question of home competition*, and I do not think it is a sectional issue; I think it is a national issue.

"Pittsburgh has very many natural advantages. She is located on a river which takes her products to the extreme West and Southwest at a very cheap rate; she has the best coal at a cheap rate; she has gas without any cost, and iron of the best quality, which enables her, in mixtures with our own inferior ores, to make as good iron as any manufacturers can make, and, with the cheap transportation which she has, she is enabled to transport iron to the Atlantic coast and deliver it cheaper than the English or the New England manufacturers can. I therefore come here to ask protection for the eastern coast, although that may seem an anomaly. The Allegheny Mountains

are a protection to the West as against eastern competition. The West has an unlimited territory increasing all the time, while we have a very narrow belt on the Atlantic coast. Therefore I claim protection from Pittsburgh!"

In Germany and Spain mineral lands belong to the government. The mine operator pays a royalty of two cents a ton in the former and three cents in the latter country. The American owner of ore lands, having purchased his land from the government at \$1.25 per acre, exacts a royalty from the furnace-man, an interest upon a valuation of \$10,000 per acre, much in the same fashion as our western lumber lords raise the value of their "stumpage."

The cost of making pig-iron in England averages about \$9.00 a ton. If the expenses of freight and commission of about \$4.00 per ton is added, the American producer would be amply protected. If iron ore were put upon the free list the owners of ore land could not monopolize the output, but would be compelled to accept a reasonable royalty. It must not be supposed, by any means, that the placing of iron ore upon the free list would cause the American iron market to be flooded with foreign ore; it would only serve as a preventive against the inordinate charges of our iron and railroad lords.

Our importations of iron ore have been about five hundred thousand tons annually, and if we had to import the nine million tons we need for consumption, there would not be vessels enough to carry it, and the freight rates would be prohibitive. The taking off of the tax on iron ore and on pig-iron would injure no interest, but would reduce the enormous profits now made by a few operators, while

it would infuse a wonderful impetus to the various branches of our iron industries and start up new enterprises all over the country. The line of exports of our finished iron and steel goods; which are confined to-day to tools, engines, agricultural implements, house-builders' hardware and a few others, would immediately be extended to the more bulky articles of iron castings, coarsely-finished machinery, anvils, sledge-hammers, and other heavy products of our iron and steel industries. This increased demand of manufactured goods would naturally require more laborers, increase their wages, and by being steadily employed, their prosperity and consequently their contentment would be insured.*

*"An active business experience of nearly forty years, thirty of which have been occupied in manufacturing, a fair actual acquaintance with, and knowledge of, the natural resources of this country and of most of the countries of Europe, an examination and comparison of the methods of the United States and European manufacturers and their respective facilities, advantages and disadvantages, has convinced me that the United States of America is fully capable of taking and maintaining an independent position as a manufacturing nation, and that her manufacturers, if left to fight their own battles against all comers, in a free-trade field, need no protection whatever against foreign manufacturers.

"The fact that they are now able to sell, to some little extent, their manufactured goods in neutral countries against the competition of the manufacturers of Europe, is evidence of what they might do if relieved of the incubus of an *enormous customs tax on the foreign raw materials they use, and the correspondingly high price of American raw materials that they are compelled to use.*

"Under our tariff system, which is called 'the protective system,' an attempt is made from time to time to adjust the duty on the various articles of foreign manufacture to conform to the supposed necessities of the American manufacturer of similar articles, and as the duty on one article is raised to meet the necessities, or more likely to protect the ignorance and unthrift of the American manufacturer, other manufacturers, imagining that the cost of making their own goods, or the cost of the living of themselves and their employes, has been increased by this advance in the tariff, combine and obtain an advance in the tariff on the classes of goods made by them.

"Then the producers of the raw material think there is an opportunity for them to get the duty on their products raised, and so the figures have climbed upward by a step here and another there, and then a good pull altogether, till we have built a tariff wall around us that not only keeps nearly all foreign raw material and manufactured goods out of the country, but keeps nearly all of our manufactured goods at home, and so circumscribes our market, dwarfs

COTTON AND WOOL.

Next to iron, cotton and wool are unquestionably the most important crude materials entering into the manufacture of finished articles.

On the subject of cotton, which is untaxed, there is only this to say, that in spite of the restrictive tariff which enhances the price of every article which enters into their business, some lines of American cotton goods are now successfully sold in China, and even in England, in competition with English "pauper"-made goods, and but for the voracious appetite of the manufacturing corporations of New England, which insist upon their pound of flesh, there is not a cotton fabric of any kind, made in this country, that would not successfully compete with England in the world's market.

American commerce, and suppresses nearly all possible material for commerce, except the products of our soil that may be wanted abroad. Is it not time now that we all take a few long steps downward—nearer terra firma—and get into a condition to have a foreign commerce?

"This country is so rich in fertile lands, on which can be cheaply raised all kinds of produce necessary for the sustenance of man and beast, and all the raw materials necessary for clothing, it is so rich in the ores of all the useful metals and in the coal to convert them, that surely no product of the soil, nor of animals supported on the product of the soil, nor mineral ore, nor metal from the ore, can need the protection of a revenue tariff. These raw materials are placed by a kind Providence almost in the producer's hands, and fortunate should they esteem themselves who have, at so little cost, become the owners of the fertile lands and rich mines from which these raw materials are so easily obtained.

"The workingman certainly needs no protection on his labor, provided he can get his food and clothing and all the articles that enter into the subsistence of himself and family free from the high prices influenced or induced by a high tariff, and even if he does need protection he cannot get it, because if the laborer tries to make a 'corner' in the price of labor, importations of foreign labor come in without limit and duty free.

"With raw materials free of duty, labor free of duty, and freights and other expenses on a free-trade basis, the manufacturer will need no protective tariff, but, I am sure, cannot only hold all he ought to hold of the home market, but obtain a large share of the foreign markets."—*Testimony of I. B. Sargent, home-manufacturer of cutlery, before United States Tariff Commission.*

This condition of affairs was well understood in the "trade" as early as 1882. While the western cotton manufacturers uniformly urged upon the United States Tariff Commission radical reductions in the duties of all lines of cotton goods, the New England corporations kept perfectly still, not one of their representatives appearing before the commission. This silence was maintained for the sole reason, that, while a large increase of duties could not be had, a controversy upon the subject before the Tariff Commission would furnish the public with information reserved for their own circle. This reticence on the part of so important a New England manufacturing interest caused Commissioner Kenner (ultra-protectionist), at the close of their labors uneasily to remark :

"Can you tell me why it is that in regard to a great industry like the manufacture of cotton goods we have not heard from any of the manufacturers, or why they have not made any recommendations to us?"

As a matter of course, Mr. Kenner did not expect "recommendations" from that quarter, urging a reduction of the existing exorbitant duties of from forty to seventy-five per cent, but what he undoubtedly thought he had a right to expect, was that the New England gentlemen would come before the commission, and in a general way warn them of the dangers following a reduction of duties on their cotton fabrics. Such statements as, "What a calamity it would be for the operatives in our mills, now working at the munificent remuneration of \$250 a year, to place them in competition with the pauper labor of Europe," would have justified the commission before the American people in their final action of raising the tariff on cotton goods ten per cent.

In speaking of the western manufacturers, Mr. Ken-

ner acknowledged, "that some of them would prefer to have no tariff on their goods at all; that they had grown strong enough, and were now ready, like old England, if *they could get their supplies where they could buy them cheapest, to have free trade with the world.*" "These statements," he says, "are from people who seem to know about these matters, and they declare they are willing to accept a radical reduction in the tariff rates in all their lines. I speak now," Mr. Kenner continued, "of what is called cotton goods manufacturers; a representative of a cotton factory in Cincinnati made a positive assertion to that effect; and when in St. Louis we had similar suggestions."

The price of cotton goods has been kept within reasonable bounds, through competition between the home manufacturers, and therefore the American consumer is not oppressed in the same degree that he is in the price on woolen goods. Thus it will be seen, that the protective tariff injuriously affects our cotton industry in general; that it is a useless impediment to its full development, and, to use the language of some of the manufacturers themselves, "they have grown strong enough and are now ready, like old England, if they could get their supplies where they could buy them cheapest, to have free trade with the world."

WOOL.

The existing tariff on foreign wool is undoubtedly the most monstrous contrivance to unjustly oppress the poor, and to cripple an important American industry, of all the protective enactments on the statute books. For the presumed benefit of a handful of wool-growers in the Eastern States, who persist in raising wool on land worth

\$100 per acre, the price of the clothing, bedding and undercloth of sixty millions of people is enhanced from forty to one hundred per cent; not that the increased price of the raw wool enhances the cost of the finished article directly, but owing to this unjust tax the wool manufacturer insists upon an enormous indemnifying duty on the foreign product.*

It is a well-known fact that this country does not raise half the wool required for our own wants, and but for the large unoccupied areas of land in Texas and California, the per capita percentage, which has been estimated at seventy-six sheep to every hundred

*"If you reduce the tariff on raw material, we could stand a reduction of duties. So long as we pay a high duty on raw material we must keep it on the manufactured article. The manufacturers are not strenuous for high duty if they could have cheaply the articles they work with; but if you have to pay duties on all the articles you work with, you have to add your duties on to the price in order to make any profit to the manufacturer. This duty on wool has averaged about twelve and a half cents a pound for the last five or ten years, and on greasy wool at that. It prohibits the purchase of wool in Buenos Ayres, the only wool imported at the time the duty was put on; but that is equal to about fifty cents on wool enough to make a pound of cloth; and now if we have got to import that, and we have to, that regulates the price of our home wool, pretty much. Then of course our duty, in order to protect the manufacturer, has got to be put on top of that; and if he pays a duty on his indigo, oils, dye-stuffs, and everything of that kind, that must be considered, and the duty put on the price."—*Chas. L. Harding, wool manufacturer, Boston, Mass., before the United States Senate Committee.*

"Woolen goods, protected by one hundred per cent, hardly enable their manufacturers to make sufficient profit to save them from bankruptcy. I know from my own experience that goods manufactured in Berlin undersell American-made goods that are protected by one hundred per cent duty. These goods are made of cloth which costs in Berlin seventy-five cents, while the American article is sold for \$1.75. The cloth is made of wool, which costs here thirty cents, while the Berlin manufacturer can use Australia wool, which costs one-half the price. This sufficiently explains why we cannot compete against Berlin-made goods. If, instead of raising the tariff on manufactured goods, we were to abolish the tariff on wool, we should be amply protected by a tariff of twenty or twenty-five per cent."—*Manufacturer's Testimony before United States Tariff Commission.*

"We would advise the entire removal of the duties on raw material and dye stuffs, feeling that no change in the tariff would do more to increase our trade with foreign countries on textile fabrics and by opening up this outlet,

inhabitants, would be much less even than that of Europe, where land is scarce and valuable, and is estimated at sixty-six sheep for every hundred inhabitants, while in South Africa the estimate is 890 sheep to every hundred; Australia, 2,402, and the Argentine Republic, 2,580, these latter countries having an abundance of cheap lands.

But the most instructive and significant feature in this land question, in relation to sheep husbandry, is contained in the statistics of the Agricultural Department, giving the respective decrease and increase of the number of sheep in the older and more newly settled lands of the

tend to prevent the great and violent fluctuations in prices, which are so disastrous to a healthy industrial growth."—*J. V. Farwell & Co., Chicago.*

"From the figures given you, which are absolutely correct, you will perceive that the American manufacturer is placed at once under great disadvantage in procuring his raw material, in comparison with the German manufacturer, on account of the duty of thirty cents per pound and the higher freight and custom-house charges, which compel him to invest a cash capital of \$50,000 in his stock of wool, etc., and on which he must pay interest, insurance and taxes, against only \$20,000, which are necessary to stock same with in Germany with the same quantity and quality of wool, etc.

"Unless this duty on the raw material, 'wool,' is taken off, the woolen manufacturer of America cannot compete with Europe, except in the lower grade of goods, where cheap machinery and comparatively little manual labor is used, because the tariff rates are the same on finer grades as on lower grades of goods. It is a fact, to which I need hardly call your attention, that the finest woolen goods are not and cannot be manufactured here at remunerative rates or at any profit, on account of the present tariff."—*Alfred Dodge, Manufacturer of Pearskill, New York, to Secretary Manning.*

"The first thing I would do is to equalize raw material, so that we could use it freely with a great many goods we do not make now. If we had free raw material, we should greatly improve the condition of our people."—*George C. Richardson, Representing the Cotton and Woolmills at Lowell, Lawrence, Saco and Lewiston.*

"Raw material should be as free as possible. Why, in this country, before all others, should it want any protection, with such an abundance of cheap and fertile land, great forests of timber, mines of coal and iron almost on the surface of the ground, and thus they can be and are made ready for the market at less cost than in any other country, and as our grain and cotton is cheaper and needs no protection, so should all our raw materials be."—*D. I. Johnston, Cotton-Manufacturer at Cohoes, N. Y.*

"The effect of our tariff on wool is to give it to the foreign manufacturer

United States. From them it appears that in 1867 there were about 30,000,000 sheep in the States of New York, Ohio, Indiana, Michigan, Illinois, Iowa and Wisconsin. In 1877, after ten years of protection, this number of sheep had decreased to 14,500,000, or to less than one-half. (While it is not maintained that this decline of sheep-raising was caused by the tariff, it certainly shows the utter fallacy of the claim that protection favorably affects this industry.) During this same decade the number of sheep in Texas and California increased from less than 1,000,000 to 11,500,000, all of which goes to show that, next to a favorable climate, an *abundance of cheap lands*

at least forty per cent below the price in this country, and more than equivalent to the whole possible difference in the cost of labor."—*Managers of the Home Mills Company of Woolen-Manufactures.*

"The present duty is partly specific and partly *ad valorem*, the specific being supposed to furnish an equivalent for the duty on the raw material, and the *ad valorem* for the other items referred to above. To make the duty entirely specific would either overtax the poor man's cloth or admit the rich man's broadcloth with a very small duty, neither of which things should be done. It will therefore be absolutely necessary to keep the tariff on woolens about where it is until such time as the western farmers learn by experience that the high tariff on wool does not benefit them, and become ready to let in wool at a low tariff."—*Chas. Merriman, Woolen-Manufacturer, Providence, R. I.*

"The duty on wool does not help the wool-grower. The effect is to cause the importation of fabrics, whereas, if imported in the raw state, much domestic wool would be used mixed with the foreign, and our home growers would furnish at least half the wool for the goods now made wholly of foreign wools.

"Free wool would also enable our idle mills to start up, and we could, after a short time, export some of our goods, making a market for our home-grown wools.

"Free wool would raise prices abroad to a point that would make the cost here such as to enable our growers to compete favorably on the qualities adapted to their several localities.

"It would give them a steady market, and tend to bring them in direct communication with the consumers, saving the profits of speculators. It is now seldom the case that the grower gets the advantage of an advance in market values.

"It would be of more benefit to the wool-grower than to the manufacturer, as it would start up and increase the machinery, and make a demand for the wool.

"It would give the grower what he most needs, customers and competition

is the absolute requirement for the successful raising of sheep on an extended scale.

"Consequently, it will be easily seen, that, as fast as our western States and territories grow in population thus fast the sheep are driven away. All our lands west of the Alleghanies are much too valuable for sheep-raising, and there is just as much sense in the attempt of an Ohio farmer to raise sheep in competition with the shepherds on the La Plata, as would be the effort of a New-England agriculturist to raise wheat upon his little barren farm in competition with the Minnesota farmer on his extended lands of unexampled fertility. The lands

for his wool. The home-grown will be used, so far as suitable, before the imported. Under the same conditions it will have the preference.

"It would not raise prices of the fabrics so as to interfere with full consumption by the laboring classes."—*Wool-Manufacturers' Reply to Secretary Manning.*

"Duties upon raw or partially manufactured materials that are consumed by our manufacturers, just so far as they raise the cost of such materials, evidently nullify the nominal protection by the tariff on the finished goods. Just so far they give the foreign competing manufacturer the advantage over our own, and raise the prices to the ultimate consumer of the goods, and so far lessen his ability to consume.

"Manufacturers have been induced to invest capital in various enterprises under the delusion that they had an advantage over the foreign manufacturer from a 'protective' tariff, not knowing that the same tariff enhanced the cost of their products to an equal or greater extent. The materials for many woollen goods are thus increased in cost more than the duty on the finished fabrics, and the manufacture of such goods must result in failure when attempted in this country so soon as they experience the full effect of foreign competition.

"No manufacture, unless it be a monopoly, can remain for a long time unduly profitable in this country. Competition is sure to reduce profits after a short time to the average of other business requiring equal capital and skill.

"Our house has been in business for more than fifty years, and in all that time, as now, closely connected with and interested in various manufacturing operations. From our observation and experience we have learned that a *high* tariff is not of necessary *protection*, either to the laborers or to the employers. On the contrary, it is usually a snare and delusion.

"It is our firm belief that the labor of our country would be better protected and manufacturers be upon a much sounder basis with free raw material. A tariff that, keeping the present taxes upon spirits and tobacco, would raise such additional revenue as may be required for the needs of the government would,

east of the Missouri are becoming more valuable from year to year, and it is only a matter of time when the sheep range of Texas will also have to make room for our regular diversified agricultural industries.

Of all the "be it enacted," there is not one which so flagrantly and forcibly exposes the short-sightedness of the supposed beneficiaries, and the "unfathomable stupidity" of our average congressman as the protective enactments on wool. Don Quixote, the celebrated Spanish knight, in trying to stop his windmill, was but a miserable stumper when compared to the enlightened American statesman of to-day, who thus attempts to interfere with the

in our opinion, be quite sufficient." — *Beech & Co., Woolen-Manufacturers, Hartford, Conn.*

"In our opinion, the admission of raw material free of duty is a reform in the tariff that is imperatively demanded by the condition of manufacturing interest, and would greatly aid in improving business generally." — *George Bullock, representing Worsted-Mills at Conshohocken, Pa.*

"If the present duty, or any duty, are to be levied on wool, then a corresponding duty should be put upon woolen fabrics." — *Geo. W. Powell, President Amazon Hosiery Company, Michigan City, Ind.*

"To my mind the first and all important step, to make a change in the tariff, should be the repeal of duties on the raw materials of manufacture. This country needs free wool, coal, ores, jute, hemp, lumber, salt and dye-stuffs. If this would increase the revenues, then duties on sugar and other necessities can be decreased.

"Taxes on raw materials are inconsistent even with the theory of protection. They shut us out from all markets when our own is glutted by overproduction. The element of cost, by reason of the tax on raw material, kills us.

"The taxes on the articles named are distinctly disadvantageous to the people of Philadelphia, eastern Pennsylvania and adjacent States. The taxes on iron ore and coal operate as a means of perpetuating discriminations against this city in the freight charges by the railroads. The government gets from these but a small revenue, but the exactions of the railroad companies amount to millions a year." — *Wm. Singerly, of Philadelphia.*

"It is plain to me, as it has been expressed in your pamphlet, that the duty on wool handicaps the American woolen-manufacturers; therefore, being as you say the best judges of their own interests, why not carry out the principle to the end and say, we are opposed to any duty on wool, and ask for its abolishment? Act consistently, and do what your own intelligence tells you to be right. Now, there is another thing which I have noticed for some months back, and that is, that from one to three thousand cases of manufactured cotton goods have been shipped weekly to the ports of London, Liverpool and Glasgow. Now is it that

immutable laws of exchange. It is of no consequence to him that the climate, the soil, the price of land and of labor in Ohio and Pennsylvania are not adapted for wool-raising on a grand scale, and that, to overcome these unfavorable conditions, great sacrifices have to be made. He seems to contemplate with supreme indifference this fact, as well as, the fact that the sixty million inhabitants of the United States might the more comfortably clothe themselves with one-half the money they now pay, if they were permitted to buy the wool they need where the soil and climate are favorable to wool-raising, and where land and labor is cheap. The idea does not

the American cotton-manufacturer can export his products to an English market and sell at a profit? And they must do it, or they would quit sending them. Does not this same American cotton manufacturer have to compete in the same American labor market from which the American woolen-manufacturer has to get his supply of labor, and also the American farmer has to get his labor with which he has to raise his wheat, corn, tobacco, pork, beef, dairy products, and export them to a foreign market, and sell in competition with the half-civilized labor of the Eastern world or the pauper labor of Europe, even the serf labor of Russia, which, although not serfs to-day, I am told, are not much better off? When the American cotton-manufacturer can sell his products in the English markets in competition with the English pauper labor, and pay the high American price for labor to produce his products, does he want any protection? Suppose, for illustration, that the American woolen-manufacturer could go into the cheapest wool-markets of the world, just the same as the American cotton-manufacturer gets his cotton as cheap as any manufacturer, could not the American woolen manufacturer produce equally cheap woolen goods? If not, will you please give me the reason why? Now let us take the specific duty on wool, which you say must be added to the price of American woolen goods to overcome the specific duty now collected on wool. We will put it at forty cents, while the pamphlet says it will require forty-six and three-quarters cents per pound to put the American manufacturer on an equal footing with the European manufacturer. The census report of 1880 puts the woolen product of our country at something over \$200,000,000 per annum. While present at a banquet given by the National Association of Woolen-Manufacturers some few years back at the Continental Hotel, in Philadelphia, the president of the association, in giving an account of the woolen-manufacturing interests of America, said the products per annum at that time were about \$293,000,000. Now, let us take the census report and say it is correct of \$200,000,000, and say the manufactured goods cost \$1.50 per pound (which is a very high average of American-manufactured woolens), it would make about 134,000,000 pounds, and add to it the specific duty of forty cents per pound. This will add to the

seem to find a lodgment in his shallow head, that the fellows who raise the cheap wool of Australia, South America and South Africa might be in need of some of our manufactured goods, or, if not in need now, might be induced, by and by, to exchange with us for our products their cheap wool (for which they have no earthly use). This condition of things has been aptly illustrated by Mr. Edward Atkinson, the great statistician, in his pamphlet on the "Collection of Revenue."

"The Kaffir of South Africa was formerly a savage warrior; he is now a peaceful shepherd in whom some of the desires of civilized life have been developed. How

cost of the American woolen-goods product about \$54,000,000. In addition to this we import annually, say \$50,000,000 worth of wool and woollens, the duties on which, at an average of say seventy-five per cent, would be \$37,500,000. The pamphlet claims that the woolen-manufacturer is entitled to an *ad valorem* duty of thirty-five per cent to overcome the cheap pauper labor put into the manufacture of woolen goods in Europe. Now, this *ad valorem* duty will add to the selling price of the \$200,000,000 worth of American-manufactured woollens another \$50,000,000. If we take the \$54,000,000 of specific duty added to the woolen goods product of America and say two-thirds of the duties collected on imported wools and woollens, we will find what it costs the American consumers of woolen goods to protect the handful of persons called wool-growers. The two items will amount to about \$95,000,000, or very nearly \$2 each for every man, woman and child in the United States in 1880. Now, when you add the *ad valorem* duty, or what it adds to the cost of all woolen goods consumed in the United States, it will make another \$70,000,000, or when all the exactions that are taken from the consumers of woollens in the United States, over \$150,000,000, or about \$3 each for every individual in our country. Now, there are engaged in the woolen and worsted interests of the United States about 120,000 persons of all ages and sexes; these, along with a probably much less number of persons called wool-growers, are those who extract from the pockets of the 9,000,000 farmers and the many other millions of tradesmen, workingmen, professional men and men engaged in transportation who go to make the grand aggregate of the American people, who are taxed as above to protect less than a quarter of a million people engaged in wool-growing and woolen-manufacturing. How long would the American citizen stand such a tax for such a purpose were it a direct tax? And yet they just as surely pay it as though the tax-gatherer came around and collected it directly. Your circular letter says: 'The object for which the pamphlet was written, viz., preserving the foundation rock of our prosperity as wool-manufacturers, the present woolen tariff.' If it is the foundation rock it must be a very slippery one, and we as woolen-manufacturers occasionally get off the rock and out into deep water, and some occasionally get

has this come about? By the desire of the civilized men of Europe and America for a kind of wool which the climate and soil of South Africa will produce. It happens that, upon the hills of South Africa, wool can be raised with no labor except that of the shepherd to tend the sheep and the annual shearing, but the wool is absolutely useless in that climate. On the other hand, wheat, tobacco, butter, cheese, iron-ware and tools cannot be raised or made there at all. What has happened from these conditions? The first settlers tempted the Kaffirs to become shepherds by offering them good bread, butter, cheese, iron and other luxuries hitherto unknown to them, but yet real necessities for the full development of the manhood in them. Europe and America took their wool and gave them the wheat.

"But now the United States says, or rather Ohio says, We can raise all this wool. True; but instead of expending only the labor of a Kaffir, who can do nothing else, we must build great barns to protect our sheep in our cold winter, we must employ farmers to raise hay and roots to feed them, and we must expend two days' labor of a civilized man, where the half-civilized Kaffir need expend but one; yet we ought to be protected in our

drowned, and the great mass at times make very narrow escapes. Let any person running a woollen-mill from 1873 to 1877 ask himself why it was during that time that at least one-third of the woollen-machinery of the country was idle; and it was the same with every other interest at that time. It was said that there was a million of men tramping from one end of the country to the other, willing to work, but could find none to do. Where was the rock foundation at that time? Let us look at a later date, from 1883 to 1885. Have we not witnessed a similar state of things? What had become of the rock of prosperity at this time? Why were so many woollen-mills idle? Why was the woollen-mill bought by Mr. Ayres in Massachusetts for \$225,000, which was said to have cost over a million of dollars? What had become of its capital? That mill must certainly have gotten off the foundation rock of prosperity."—*Wm. Dean, Woollen-Manufacturer, Newark, Del., reply to National Association of Wool-Manufacturers.*

labor; we, the educated, civilized men of Ohio and Vermont and Massachusetts need to be protected against the poor, half-civilized creature — we are afraid of him. God has given him more sunshine than us, and if he advances we shall be degraded. Suppose Europe were equally afraid of the poor Kaffir, and protected itself against his wool; what would become of it?

“No one would give him wheat or any commodity for it; he cannot eat or wear it, and it is the only thing he can raise. If he cannot sell it he must cease work, cease progress, relapse into barbarism — all the missionaries in creation couldn’t save him; yet, if protection against the Kaffirs wool is good for America it is good for Europe, and ought to be adopted.”

Which is the greater “Kaffir” of the two, the native of South Africa, who is trying to adapt himself to modern progress and civilization, or the American congressman?

But how about the Ohio wool-grower?

Mr. Atkinson thus answers the question: “Twenty cents’ worth of wheat will buy of the Kaffir a pound of wool. The Ohio farmer can furnish twenty cents’ worth of wheat, we will say, by half an hour’s labor; but a pound of wool will cost him a whole hour’s labor, or forty cents.

“Now, if you put a revenue duty of fifteen cents on the wool raised by the Kaffir, it will still come, as its total cost in the United States will still be only thirty-five cents. The Ohio farmer will still make wheat to exchange for it, only we shall get less wool for a bushel of wheat; but if you impose a duty which involves any incidental protection or any other kind of protection, it must be over twenty cents, so as to raise the cost of the Kaffir wool to over forty cents. Suppose you put the duty at twenty-

five cents, then the Ohio farmer is protected, and can make it for less than its cost plus the duty; the Ohio farmer gives up raising wheat, but expends twice the labor on wool; commerce with the Kaffir ceases; woollen cloths cost double; the government has no revenue; the civilized man has put his two hours' labor against the Kaffir's one, and by means of protection has won the game; the Kaffir relapses into barbarism, and that is the end of it; but is the civilized man any better off than he was before? He has now to pay a direct tax for the support of the government and has less time to work it out than he had before."

And is it not a matter of easy calculation, that for every dollar the farmer profits by this protection on his wool, he pays \$2 in the increased price of his clothing, farming utensils and household furniture, on account of the tariff, and that, consequently, he is a loser in the end?

The import duty on wool is divided into

CLASS I. Clothing-wool, ten cents per pound, if the value is thirty-two cents or less, and twelve cents per pound, if the value exceeds thirty-two cents. In addition, ten per cent on its value.

CLASS II. Fine combing-wool, and alpaca and goat's hair are taxed in the same ratio as the above.

CLASS III. Known as carpet wool, two and one-half cents per pound, if the value is twelve cents a pound, or less, and five cents a pound if the value exceeds twelve cents.

The duty on washed clothing-wool is doubled and is trebled on scoured wool. This duty is almost prohibitive, and not only excludes our manufacturers from foreign markets, but actually doubles the price of the bet-

ter kind of clothing to the American consumer. This class of wool is too expensive to be used in the manufacture of the cheaper class of goods, and, in order to supply the enormous demand for this kind of clothing, our manufacturers are compelled to resort to so-called "substitutes; a respectable expression for the word "shoddy."

"Shoddy" is made from old rags, of which large quantities are imported. All our ready-made clothing, the principal wearing apparel of the American farmer and working-man, is wholly or partially manufactured out of this miserable stuff.

A year ago, *The Breeders Gazette* of this city, one of the leading agricultural papers of the country, contained the following lucid exposé of this outrageous swindle:

"Shoddy is used to the extent of more than one-third of the weight of the wool clip of the United States. But how can this be avoided? There is not more than half enough clothing-wool raised in the United States for making the goods consumed. The other half must be procured elsewhere, or half the present wear must be of old clothes without being manufactured. Under the present tariff, without the use of these substitutes, the clothing of the poorer classes and those of moderate means would cost fully double present prices. The manufacturer must use such material as he can get for making the fabrics his customers require. He would prefer to use all clean wool. It would be much easier to make his goods with this than with any other material. But the tariff says you shall not have the wool without you pay fifty to one hundred per cent more for it than it costs your competitors in other countries. If you use shoddy or other substitutes, you can have the same protection, by the specific duty of thirty-five cents per pound on the goods, as if you use the finest silk

and wool. In one case the material in a pound of goods may not cost more than twenty cents, and in some others the fine wool alone costs \$1.25, and the silk nearly fifty cents additional for a pound of the finished goods. The substitutes you can buy here in almost any quantity, or import by paying ten cents duty. The fine wool you must import in some shape, and pay for duty alone much more than the specific duty on the goods. The laws of trade, working under the tariff, govern the shape in which the material is imported, and these favor the use of shoddy in our home manufactures. In other words there is a premium of thirty-five cents per pound offered by the tariff for the use of shoddy and other substitutes that we can buy at or below the prices they cost in foreign countries, and there is a tax, more or less heavy, according to the quality, upon the pure wool that must be imported if the goods are to be made in this country, over and above the so-called compensating duty on the foreign goods. These are plain, naked facts that anyone can substantiate by going to the proper sources for information. It is unfortunate that this is not more readily available, and that those who are called upon to vote on these questions do not have the time and disposition to learn the exact truth."

What do the farmers and working-men say to this?

Shades of the fathers, what a sight to behold! Our farmers of the West, who are supplying these "fellows over the water" with over \$600,000,000 worth of cereals and provisions annually, standing about in brand-new suits, manufactured out of the cast-off woollen clothing of the despised "European pauper"! To be sure, this miserable stuff is "cheap," but if poor quality and wear is considered, it is dear at any price.

The other day I met the father of three little boys, whose daily earnings average about \$1.75 per day. After pinching his household down to the bare necessities of life, he managed to save \$20 with which he hoped to clothe his boys for the winter. Going to one of the large ready-made-clothing houses down town, he was offered three suits at \$6.50 each, which he considered very reasonable. It was to be an agreeable surprise to the boys and his wife. The latter, having had some experience in the clothing line, examined the yarn of which the suits were made, when, casting a despairing glance at the father and laying the bundle upon the table, she exclaimed: "Old man, you have been swindled; this is the purest shoddy and will not last the boys a month." "That is the best they had in the store," was the reply, "and there is no use in trying to do better anywhere else."

But this poor man's experience is probably the experience of many of my readers; the prophecy of that man's wife, "that the boys' suits would not last a month," will no doubt be fully realized.

This is the kind of clothing the great mass of the American people are compelled to purchase, and this is the kind of *cheapness* which Mr. Randall said, in his recent speech at Atlanta, "has been vouchsafed us by *protection* on wool."

But the utter recklessness with which this tariff legislation is carried on is strikingly exemplified by the duty on wools of the the third class, or carpet wools.

There is no wool of this class worth mentioning raised in the United States, and over ninety per cent of all that is used by our manufacturers is imported. This fact was brought before the Tariff Commission by every manu-

facturer of woollen goods, and even by the secretary of the National Association of Wool-Growers.*

These remonstrances notwithstanding, and in spite of these requests to have this class of wool put upon the free list, the commission, with the characteristic obstinacy of our rock-rooted protectionists, made a reduction of but half a cent on a pound.

The duty on this class of wool benefits no interest whatever, but greatly injures the manufacturer of carpets, who might, otherwise, successfully compete with the European carpet-weaver in foreign markets. This fact is evidenced by the testimony of Mr. James Dobson, an extensive carpet manufacturer of Philadelphia, who says: "*That carpets of the same quality of goods are, practically, as cheap here as in England.*"

* We do not grow these wools, not because we cannot produce them, but because it is unprofitable. I have seen beautiful carpet wools from Colorado, grown from descendants of the Mexican Churros, with fiber as white as mohair. We do not grow these wools for the very simple reason that it is more profitable for the farmer to grow something else. Dr. Randall used to say: "The farmer will not grow rye when he can grow wheat." I pointed out to an experienced wool-grower a picture of some Cheviot sheep in my office, and said to him: "Why don't you try that race of sheep? They are profitable in Scotland." His answer was, "It will cost me no more to grow Leicesters or Cotswolds, and their wool and carcasses are worth twice as much." The Churro sheep of Colorado, which I spoke of, will produce but two or three pounds of wool, while, improved by a Merino cross, the product in wool is four or five pounds. The grower is all the time doing his best to breed away from carpet wools; as a consequence he wants no duty to encourage him to grow these wools. He knows that under no amount of protection would the cultivation of these wools be profitable.—*Secretary National Association of Wool-Growers.*

For the above reasons we request that carpet wools be put on the free list. We believe that this will be in the interest of all parties, wool growers, wool-manufacturers and consumers, and that it is for the general interest of the whole country that at least all raw materials that do not compete with home products, and which enter into important established industries, should be admitted free, in order that such industries may receive the fullest practicable development, and thus in turn contribute in a thousand direct and indirect ways to the consumption of articles of American growth and manufacture.—*Testimony of Mr. Wm. Whitman, representing the National Association of Wool-Growers, before the Tariff Commission.*

What has been said of the effect of this tax upon the raw material of the iron, steel, cotton and wool industries is applicable to almost every other branch of manufacture and trade in the country.

The hat industry, for instance, is hampered by an average tax of thirty-five per cent upon its raw material, very little of which is made in this country.

The boot and shoe manufacturers are crippled with a tax of twenty-five per cent upon the calf skins they use.

The manufacturers of all kinds of copper-ware are compelled to pay a tax of four cents per pound to the wealthy copper-mine owners, while these same owners sell the same article in England for three cents per pound less.

The manufacturers of lead pipes and of other articles of lead, pay to the lead-mine operator the enormous tribute of two cents on every pound used.

Nickel, which enters largely into the manufacture of plated goods, is loaded down with the outrageous duty of thirty cents per pound.

From testimony given before the Tariff Commission, it appears that almost the entire production of nickel in this country is from one mine in Pennsylvania, and I am told that the effect of the duty on nickel, which is practically a prohibitory one, it being so large as to prevent the profitable importation of nickel at all, has been to yield an enormous profit to the producer of this article in Pennsylvania, he being the largest producer in America. The nickel manufacturers state that the moment the duty was increased to its present figure, without any increase in the cost of production at all, without *any increase in wages*, without any increase in invested capital, there was an immediate doubling of the price per pound to the

nickel plater, and that that price has been maintained, and to some extent increased, since that time. This injustice has been carried to such an extent that the Meriden Britannia Company, which is one of the largest consumers of nickel in this country, has been obliged to establish a factory in Canada in order to compete for the foreign market.

The price of nickel in this country is such, owing to the existing tariff, that our goods cannot be profitably exported, and with all our skilled laborers and understanding of the business (and we make the best plated goods that are made in the world), we cannot sell them in England, in South America, or on the continent of Europe, because we have to pay so much for our raw material.

The manufacturer of jute goods must pay a duty of \$15 a ton, and twenty per cent on its value. Hardly any jute is raised in this country, and although America consumes more jute goods than any other country in the world, owing to the exorbitant tax on the raw material, it makes but one forty-second of the production of England.

But the tax which has inflicted the most irreparable injury upon the whole country is the duty on the raw materials which enter into the construction of a ship. It amounts to forty-three per cent on the average. While the United States once stood at the head of the ship-building nations of the world, that tax has closed our ship-yards, thrown sixty thousand American sailors out of employment, or compelled them to navigate foreign ships, and has driven the American flag from the high seas.*

* Take off the tariff on Nova Scotia coal and iron ore, and there is no reason why all the coast of New England, from Machias to Massachusetts Bay, and from Massachusetts Bay to Long Island Sound and New York, should not be lined with furnaces and rolling-mills. Take off the tax on Nova Scotia coal and ore, and Maine, which, under the "keep on the tax policy," is the one and

Consequently, the damage inflicted upon the country by our tax on raw materials must be understood to be properly appreciated. It is a two-edged sword which cuts both in buying and in selling. If we refuse to take in pay the produce of people who are in want of manufactured goods, we simply make it impossible for that people to trade with us. Our trade with Australia is a case in point. We are very much in need of plenty of cheap wool. But our government prohibits our merchants from trading with the people of Australia upon an equitable basis, by placing an exorbitant tax upon their wool, in consequence of which, instead of buying from us the manufactured articles they need, they buy from England, France and Germany, all of which allow their wool to come in free.

This condition of affairs has been fully described by Consul Griffith, at Sidney, Australia, in the following letter to the State Department:

“The people here complain that it is not just to expect them to purchase goods and wares from the United States when wool, the chief product of Australia, is almost excluded from the United States market on account of protective duties. I believe, however, if a better knowledge of the character of the wools grown here existed in the United States the trade would be much larger than it is.

only state in the union that is decreasing in population, which is falling behind-hand in manufactures and in the disbursement of wages to its people, stationary in her agriculture, increasing in the number of her illiterates and criminals, paying her female school-teachers less than is paid by the emancipated slaves of Alabama and South Carolina, and is witnessing the steady progress to annihilation of her former great special industry of *wooden shipbuilding*; take off the taxes, I say, and *Maine might build iron ships for the world*, and place upon her deserted harbors industrial establishments that would more than rival those now existing in Scotland upon the Clyde, and in Germany upon the Weser.” — *David A. Wells, Ex.-U. S. Tax Commissioner.*

“The Australasian wools best suited for the United States market are chiefly of light, sound, shafty fleece. These wools are usually produced in the south and south-eastern Riverina districts, in this colony, and in the upper Murray district in Victoria. Australasian wools are, as a rule, soft-handling, fine-haired and silky. These properties are mainly due to climatic influences, although the natural pasturage of the interior has without doubt assisted in developing these characteristics. Some of the high grades of wool grown in the United States compare very favorably with Australasian wools, but, as a rule, the American wools are harsher and are wanting in elasticity and fitting properties.

“The modification of the present duties on Australasian wools would undoubtedly give a great impetus to the commerce of both countries. The United States would then draw more largely than ever on the colonies for all wools suitable for fine and superfine cloth and ladies' dress goods. There is no question about the American manufacturers being able to produce fine cloths and ladies' dress goods of equal quality and finish to those of the most celebrated mills of Europe, and yet, on account of the duty on Australasian wool the American merchants are obliged to import the great bulk of these articles from England, France and Belgium.

“In the event of the reduction of the duties on Australasian wools, or of the admission of that class of wools peculiar to this country, and not grown in the United States, the American mill-owner would soon be in a position not only to undersell in his own market all woolen fabrics of a foreign make, but to compete successfully with other woolen-manufacturing countries in the various markets of the world. At the same time the

American flockmaster would not experience any loss by the change in the tariff, as the wools imported would be of a different quality from those which he is able to produce. The advantages resulting from such a change would also be very great to Australasia, for there would then be a keener competition than at present for those classes of wool especially adapted to the American markets."

Consequently, as before stated, our manufacturing capacities far exceed the requirements of the home market, and as long as production is confined to the comparatively narrow limits of the United States, overproduction, auction and sheriff sales, the closing of factories and the enforced idleness of labor, with all its heart-rending miseries, are the disastrous results. An export tax upon cotton and cereals would not be more unjust or more impolitic than the import tax upon the raw material of our manufacturers. Imagine for an instant the dire consequences following such a suicidal policy. Suppose our government should levy an export tax of say twenty-five per cent upon these agricultural products, which would close the foreign markets to the surplus product of our farmers and planters, how many years would it require to shut up every factory in the country and bring ruin and desolation to every household in the land?

Free raw-material would put three-fourths of our manufacturers upon a level with their foreign competitors in the markets of the world, increase the demand for their products and insure permanent and lucrative employment to their operatives.

But, if our manufacturers were thus relieved, as a matter of justice to the consumer, an indemnifying reduction of taxes on the finished articles ought to follow.

MONOPOLY.

The amazing claim set up by protectionists, that their system has the effect of lowering the price of the manufactured article, reminds one of the Irishman's reply to his employer when told, if he did not want his wages reduced to fifty cents a day, he had better vote for the protectionist candidate for Congress.

"Boss," said he, "if yez indade belaved that, yez'd requoir iv'ry mither's son of us to vote t'other way."

So, if the protectionists really believed protection had the effect of lowering prices, they would fight the system to a man.

This, however, is but one of their many pretenses originated to bolster up an iniquitous system; in other words to sugar-coat the pill.

Its advocates are perfectly well aware of the fact that the causes for this phenomena of price reduction are to be found in the immutable laws of human progress, in the ingenuity and perseverance of man, who is constantly at work to invent some new contrivance to improve and apply new machinery, and to adopt more modern methods of manufacture, whereby time may be saved, the expenses of production lessened, and the efficiency of labor increased.

This progressive movement by which prices are lowered is going on in Old Europe, where competition is excessive, at a more rapid rate than here, and it is owing to this fact alone that our tariff, however exorbitant, is insufficient to keep out foreign goods.

The restrictive policy of the government, which confines our manufacturers to the home supply, is daily bringing us nearer to the conditions prevailing in the Old

World. The products of our mines and factories being largely in excess of our requirements, the small and financially weaker concerns have had either to succumb to the pressure or be absorbed by the more wealthy and powerful corporations.

But these disastrous results, notwithstanding this cut-throat competition in the wild race for the mastery in the home supply, continue unabated, and possibly with more tenacity. What formerly has been but a cat-and-dog fight has now become one between giants.

This relentless war of competition, having lasted for years, is the only cause of the ruinous reduction in prices, and there is no doubt but that the statement of the well-known statistician, Mr. Atkinson, is correct, that at the present time the profits of the manufacturers on the average do not exceed five per cent of the capital invested.

Protection has seen its best days, and instead of longer being a benefit to the manufacturers it is a loss to a majority of them. Prof. Tausig, of Harvard University, truthfully says: "The manufacturer does not, on account of this import tax, obtain exceptional profits in the production of these protected articles. It is true that in some cases of monopoly he may permanently make high profits. But in many cases he fails to do so. It may cost more, from inherent and natural causes, to make the protected article at home than it costs to make it abroad. In this case—the most frequent—the home producer gets higher prices in consequence of the duty, but he does not make correspondingly high profits. The tax on the consumer here represents simply the greater cost, the inherent natural disadvantage of making the commodity at home. It represents a useless diversion of na-

tional industry. Thus a commodity is made at home which can be more cheaply bought abroad, and nobody is benefited by the tax imposed upon the consumer."

The system is now become simply one of waste and of reciprocal plunder. The manufacturers are eating each other up, or, rather, steal from each other in the fashion of the monkeys in Exeter Exchange, London, as described by an English writer:

"These monkeys used to be confined in a row of narrow cages, each of which had a pan for his food. When all the monkeys were supplied with their suppers, it was observed that scarcely anyone of them ate from his own pan. Each thrust his arm through the bars and robbed his right and left-hand neighbor. Half of what was so seized was spilt and lost in the conveyance to his own mouth, and while one monkey was thus unprofitably engaged in plundering some other monkey, his own pan was exposed to a similar depredation by his friend in the rear."

This illustration of mingled knavery and absurdity is shockingly human, and fairly shows that half of what the manufacturers seize from each other is lost in the "shuffle."

They understand that the only remedy for this condition of affairs consists in a mutual understanding that their interests are identical, and this furnishes the solution to the great mysterious movement now in progress, to organize every important branch of industry in the United States into a "pool" or a "trust,"* with a view

* Every one knows about the thirty-million-dollar steel combination, which has not kept the price of rails from declining from \$166 a ton in 1867 to \$32 a ton in 1884, but during this decline has kept the price of rails—that is the price of transportation, that is the price of everything—higher in this country than anywhere else. Chairman Morrison of the Committee of Ways and Means is a wit-

of curtailing production and maintaining prices, and thus, if possible, to avert the impending industrial crash.

To those who have but superficially considered the effect of the protective system, it may seem a rash statement to make, that the government of the United States is primarily responsible for this prevailing monopoly mania with which the country is now afflicted.

It is not capital that creates monopolies, it is the absence of competition, and, as long as competition is not debarred, there need be no apprehension from concentrated capital. But competition being destroyed by

ness to the fact that the chimneys of the Vulcan Mill at St. Louis stood smokeless for years, and meanwhile its owners received a subsidy reported at \$400,000 a year from the other mills of the combination for not making rails, with, however, no payment to its men for not working. The "Age of Steel" startled the country last January by the statement that a monster pool was to be formed of all our pig-iron manufacturers. The country was to be divided into six districts. As many furnaces were to be put out of blast as were necessary to prevent us from having too much iron, and these idle furnaces were to share, like the Vulcan Steel Mill, the profits of those that ran. This has not yet proved to be history, but it may turn out to have been prophecy.

There are too many nails for the nail-makers, though no such complaint has been heard from the house-builders. There is a nail association, which at the beginning of the year advanced prices ten cents a keg. Last November it ordered a suspension of the nail machines for five weeks, to the great distress of eight thousand workmen, who are also machines—self-feeders. "We hope," said the nail-men, according to a Pittsburgh dispatch of December 29, 1882, "to show consumers that we can not only control production, but that we can do so unauimously, and at the very time when nails are the least wanted." On April 9, of this year, the nail manufacturers of the West met again at Pittsburgh, and adopted the most modern form of pool, with managers having full powers to regulate prices and restrict production. "An early advance of prices may be expected," we are told. Every mill in the West is in the pool. Nail-buyers are not allowed to converse with nail-makers. All business must be done through the board of control.

There is too much barbed wire for the wire manufacturers, though not for the farmers, and a pool, under the "entire control" of eleven directors, has, within a few weeks, been formed, in which are enrolled all the chief manufacturers. Its members met in March, in St. Louis, and advanced prices. They met again in Chicago, April 4, and advanced prices ten per cent, and adjourned to meet in thirty days for the purpose of making another advance. This combination cuts off competition at both ends. It confederates the makers, so that they

the action of the government in taxing the foreign article, thereby preventing its importation, and, consequently, conferring upon the home manufacturer of a like commodity a monopoly of the home market, there is no escape from this dilemma. It may not have been the intention of our legislators to create these pools and trusts, but it is the logical effect of this one-sided legislation, and all attempts to charge capital with the responsibility are absolutely frivolous.

A great deal of misleading clap-trap is heard about the accumulation and concentration of capital. The industrial progress of the age, the application of steam

shall not sell in competition with each other, and it buys all its raw material through one purchasing agent, so that its members do not buy in competition.

Thirteen concerns making wrought-iron pipes in this country met in December last to unite under the very appropriate name of the Empire Iron Company. Each was to deposit \$20,000 as security that he would adhere to rules to prevent the calamity of too much iron pipe. One feature of the pool was that it proposed to keep men on guard at each mill, to keep account of the pipe made and shipped; and these superintendents were to be moved around from one mill to another at least every eight weeks.

April 1, 1882, when the rest of us were lost in the reckless gayety of All Fools' Day, forty-one tack manufacturers found out there were too many tacks, and formed the "Central Manufacturing Company of Boston," with \$3,000,000 capital. The tack mills in the combination run about three days in the week. When this combination, a few weeks ago, silenced a Pittsburgh rival by buying him out, they did not remove the machinery. The dead chimneys and idle machines will discourage new men from starting another factory, or can be run to ruin them if they are not to be discouraged in any other way. The first fruits of the tax-pool were an increase of prices, to twice what they had been.

And again:

"When President Gowin, of the Reading Railroad, was defending that company in 1875 before a committee of the Pennsylvania legislature, for having taken part in the combination of the coal companies to cure the evil of "too much coal" by putting up the price and cutting down the amount for sale, he pleaded that there were fifty trades in which the same thing was done. He had a list of them to show to the committee. He said:

"Every pound of rope we buy for our vessels or for our mines is bought at a price fixed by a committee of the rope manufacturers of the United States. Every keg of nails, every paper of tacks, all our screws and wrenches and hinges, the boiler flues for our locomotives, are never bought except at the price fixed by the representatives of the mills that manufacture them. Iron beams for your houses or your bridges can be had only at the prices agreed up-

and electricity, the division of labor in factories, have, collectively, rendered the concentration of capital a necessity, and, as long as capital is thus legitimately employed, its concentration is beneficial, rather than injurious to the general welfare of the country.

The injury inflicted upon the community is not in the use but in the abuse of great wealth, which is the same as any other abuse, a subject for judiciary or legislative interference.

The building of our railroads required the concentration of capital, but that the country in general has been immensely benefited by the change from the stage-coach and cart to the passenger and freight car, will hardly be questioned. If, however, the managers of these railroads abuse their trust by stock-watering, to the detriment of the original shareholders; violate their duties as common carriers (for which they obtained their franchises), by organizing pools with competing lines to extort unreasonable charges; discriminate between ship-

on by a combination of those who produce them. Fire-brick, gas-pipe, terra-cotta pipe for drainage, every keg of powder we buy to blast coal, are purchased under the same arrangement. Every pane of window glass in this house was bought at a scale of prices established exactly in the same manner. White lead, galvanized sheet iron, hose and belting and files are bought and sold at a rate determined in the same way.—*Henry D. Lloyd, North American Review June, 1886.*

In some instances values are being artificially stayed by the "trusts" that are springing up everywhere, but where the law of competition are allowed to work out their legitimate results, prices are weakening. Railroad-building has been greatly overdone, and so have many branches of manufacturing, and steel rails are again lower, as the result of overproduction. Meanwhile, the work of consolidation into trusts and Jay Gould schemes goes forward, and the telegraph lines are all being merged into the Western Union. The coal men have squeezed 25 cents more on every ton of anthracite, and even the Chicago milkmen have formed a "trust." Sugar refiners have consolidated into a "trust" and the first-fruits are seen in an advance in that saccharine article. The farmers are about the only people who are neglecting to form "trusts," and they are consequently selling their wheat and corn at very moderate profits.—*Market report, Chicago Times, Oct. 18, 1887.*

pers, and form combinations with powerful monopolies for lower rates, or the exclusive transportation of their products to uphold and rob the great public; in this case the capital invested has been diverted from its original design. And here again the government is responsible for the injury, if it fails, by adequate legislation, to protect the private rights of the citizen.

What has been said of the benefits accruing to the general public by the concentration of capital for railroad purposes, holds good when applied to our manufacturing and mining industries. As a rule, capital is exceedingly cautious and unless a new enterprise promises profitable returns, it does not concentrate to an alarming extent, and as long as individual enterprise is permitted to have fair play and competition to have full sway, the concentration of capital in any branch of industry can work no possible injury to the public. But when, as has been said before, government steps in and presumes to manage, regulate and protect certain branches of industry, it does so with the tacit understanding that the capital invested in such industry shall have the monopoly of the home market to the extent of the obstruction which bars out foreign competition, and in some of the most important branches it is left to the caprice of those engaged in those industries to make this monopoly absolute.

It is, for instance, manifest that the placing of a protective tariff upon coal, or upon mineral of any description, is paramount to the creation of a monopoly, since the extent of these gifts of nature is limited and may be absorbed or controlled by a few.

The magnitude and exclusiveness of this class of monopolies is, in the absence of foreign competition, only a matter of capital available and of greater or less unscrup-

pulousness on the part of the operators to concentrate these natural gifts in the hands of a limited number of individuals or corporators.

The coal monopoly of Pennsylvania and Ohio is a case in point. Almost every acre of the extensive coal lands of these states has passed from private parties into the hands of a powerful and unscrupulous syndicate.* The richness of these mines exceed those in England a thousand times, and, while in the latter country the "black diamond" is only found at great depths, here it is found almost on the surface of the earth. The cost of mining coal is about sixty cents per ton, or less than the amount of the tax

*Last July Messrs. Vanderbilt, Sloan, and one or two others out of several hundred owners of coal lands and coal railroads, met in the pleasant shadows of Saratoga to make "a binding arrangement for the control of the coal trade." "Binding arrangement," the sensitive coal presidents say, they prefer to the word "combination." The gratuitous warmth of summer suggested to these men the need the public would have of artificial heat, at artificial prices, the coming winter. It was agreed to fix prices, and to prevent the production of too much of the raw material of warmth, by suspensions of mining. In anticipation of the arrival of the cold wave from Manitoba, a cold wave was sent out all over the United States, from their parlors in New York, in an order for half-time work by the miners during the first three months of this year, and for an increase of prices. These are the means this combination uses to keep down wages—the price of men, and keep up the price of coal—the wages of capital. Prices of coal in the West are fixed by the Western Anthracite Coal Association, controlled entirely by the large railroads and mine-owners of Pennsylvania. This association regulates the price west of Buffalo and Pittsburgh and in Canada. Our annual consumption of anthracite is now between 31,000,000 and 32,000,000 tons. The West takes between 5,000,000 and 6,000,000 tons. The companies which compose the combination mine, transport, and sell their own coal. They are obliterating other mine-owners and the retailer. The Chicago and New York dealer has almost nothing to say about what he shall pay or what he shall charge, or what his profits shall be. The great companies do not let the little man make too much. Year by year the coal retailers are sinking into the status of mere agents of the combination, with as little freedom as the consumer.

The total amount of anthracite coal land is estimated by President Gowen, of the Reading, to be between 260,000 and 270,000 acres. Of this the Reading Coal and Iron Company owns 95,000 acres, and also holds under a lease of the Central Railroad of New Jersey about 14,000 acres, making in the neighborhood of 110,000 acres. The Lehigh Valley Railroad controls about 25,000 acres; the Delaware, Lackawanna and Western about 20,000; the Delaware and Hudson

upon foreign coal, and it can be delivered at a fair profit in New York at \$3.50 per ton and at \$4 in Chicago. But this greedy syndicate is not satisfied with a fair profit; it counts its profits only. This is the way they do it. Three or four gentlemen, quietly sipping a glass of champagne and smoking their Havanas, may be found yearly either at Saratoga, N. Y., or in one of Delmonico's private cabinets, discussing the situation of the coal market. They are not there for the purpose of ascertaining how an abundance of fuel at a reasonable price can be secured for the country; it is not for this they have met. The very thought of plenty and cheapness is repug-

about 20,000; the Pennsylvania Coal Company 8,000 to 10,000, and the Pennsylvania Railroad 5,000 to 10,000. The rest of the coal lands is held by individuals, firms and corporations, and is "necessarily tributary" to the railroad lines of the companies above named, with all that that implies. The capitalization of the coal companies with that of their satellites is upward of \$500,000,000. This capitalization was declared by the New York legislative committee to be excessive. Mr. James B. Hodgskin explained, some years ago, in *The Nation*, how this inflation was brought about. A generation since, the most important coal lands were covered by the prettiest farms and the wildest mountain forests in the United States, then worth fifty cents to fifty dollars an acre. They were bought up by speculators who sold them to the companies at ten to twenty times the real cost. When railroads were found to be necessary for the development of the mines, railroad schemes were taken in hand by the same class of men, who had acquired experience, skill and money by their manipulation of the mining companies, and similar tactics were employed to make money out of the new roads. Roads were built costing but one-half or three-quarters of the first mortgage bonds issued on them, and were then saddled with additional stock capital equal to the bonds, making the nominal capital of the roads three or four times the real cost. Of course, the road was expected to earn dividends on the \$25 of real cost as well as the \$75 of fictitious cost. The swollen total at which the capitalization of the coal companies now stands was obtained by adding the dropsical mining stocks to the dropsical railroad stocks. This is one of the cases in which like has not cured like.

One of the sights which this coal side of our civilization has to show is the presence of herds of little children of all ages, from six years upward, at work in the coal breakers, toiling in dirt, and air thick with carbon dust, from dawn to dark, of every day in the week except Sunday. These coal breakers are the only schools they know. A letter from the coal regions in the *Philadelphia Press* declares that "there are no schools in the world where more evil is learned or more innocence destroyed than in the breakers. It is shocking to watch the vile practices indulged in by these children, to hear the frightful oaths they

nant to them. It is through scarcity and high prices that they expect to reap a bounteous harvest. The question with those gentlemen is only: "What is the total sum we can safely extort from the public the coming year—how much of this sort of robbery will the patient people stand?" The fact that a hundred thousand miners, the bread for their families, is dependent upon their decision, that hundreds of thousands of families all through the country will suffer for the want of fuel during a prolonged winter does not enter into their computations for an instant. At the adjournment of the trio, the ukase is sent forth that so many tons of coal, and no more, shall be mined the coming season, the price being left for consideration at a future meeting.

In view of what is now taking place in this country it

use, to see their total disregard for religion and humanity." In the upper part of Luzerne county, out of 22,000 inhabitants 3,000 are children between six and fifteen years of age, at work in this way. "There is always a restlessness among the miners," an officer of one of the New York companies said, "when we are working them on half time." The latest news from the region of the coal combination is that the miners are so dissatisfied with the condition in which they are kept, by the suspension of work and the importation of competing Hungarian laborers in droves, that they are forming a combination of their own, a revival of the old Miners' and Laborers' Association, which was broken up by the labor troubles of 1874 and 1875.

Combination is busy in those soft-coal districts, whose production is so large that it must be sent to competitive markets. A pool has just been formed covering the annual product of 6,000,000 tons of the mines of Ohio. Indiana and Illinois are to be brought in, and it is planned to extend it to all the bituminous coal districts that compete with each other. The appearance of Mr. Vanderbilt, last December, in the Clearfield district of Pennsylvania, at the head of a company capitalized for \$5,000,000, was the first entry of a metropolitan mind into this field. Mr. Vanderbilt's rôle is to be that of producer, carrier, dealer and consumer, all in one. Until he came, the district was occupied by a number of small companies and small operators, as used to be the case in the anthracite field in the old days. But the man who works himself, with his sons, in a small mine, cutting perhaps from twenty to forty tons a day, cannot expect to survive the approach of the Manhattan capitalist. The small Clearfield producers, looking at the fate of their kind in the anthracite country, greeted Mr. Vanderbilt's arrival with the question: "What is to become of us?" "If the small operator," said one of the great man's lieutenants, "goes to the wall, that is his misfortune, not our fault." — *Henry D. Lloyd, North American Review, June, 1886.*

is not too much to say, that a great mistake was committed by the "Fathers" in allowing coal, mineral and salt lands to pass into individual ownership, instead of reserving it to the government, the latter charging a mere nominal royalty for development. But for the government to confer upon the fortunate owners of coal lands the additional prerogative for exclusively supplying the country with coal, by excluding the foreign article, is more than a mistake; it is a crime; it is the surrender of a portion of the people's earnings into the hands of greedy speculators by an arbitrary governmental act.

The amount of the tax on foreign coal does not as materially affect its introduction as does the fact that this proscriptive system of production is the accepted policy of our government. The seventy-five cents tax serves the American coal syndicate just as well as did the tax of \$1.50. This state of the case was well understood by the coal barons when they submitted to the reduction. As long as capitalists are aware of the fact that, whenever any protected industry is threatened by an "overflow" of the cheaper foreign article, all they have to do is to set the lobby at Washington to work, they will hardly venture their means in the precarious enterprise of developing mines in Nova Scotia, or in constructing vessels to transport the product to the United States.

By way of illustration; a few days ago, while visiting a gentleman having his office in the First National Bank building, by chance we came to speak of the hardships entailed upon the public by the coal monopoly. I was informed by him that previous to the enactment of the duty on coal, he had organized a company in Boston for the development of a coal mine in Nova Scotia, and the enterprise had succeeded so well they were able to deliver

excellent coal in Boston at \$4.25, with a profit of \$1 per ton. It was the intention of the company to enlarge their facilities with the prospect of eventually supplying not only Boston with coal, but many of the manufacturing centres of New England, also. These fine prospects came to naught on account of the act of Congress which placed a protective duty upon foreign coal. The company was forced into bankruptcy and entailed upon my friend a loss of \$10,000, his whole fortune.

This pernicious effect of the tax on foreign coal is the effect of every tax levied upon any other mineral, and upon many of the raw materials used in the early stages of manufactures, such as iron, copper, zinc, lead, nickel or salt, and of wool, lumber, sugar, etc., etc.

To create these over-reaching monopolies was not probably the motive which actuated Congress in affording "protection" to the producers of these raw materials; but these monopolies, and trusts, which are a curse to the country, are here on that account, nevertheless.

So for instance, in the case of lumber it was probably with the honest intention of encouraging the "infantile" lumber industry of Northern Wisconsin and Michigan, and in the hope that their labor might be protected against the "pauper labor" of Canada, that a tax of \$2 a thousand feet was laid upon Canada lumber. Our lawmakers did not intend, possibly, to give to a limited number of individuals who were fortunate enough to get possession of large tracts of pine land at \$1.25 per acre and less, the exclusive privilege or monopoly of supplying the great Northwest with lumber; but, whether intentionally or unintentionally, Congress did so in fact. Twenty-five years of pickings afforded by protection has enabled a compara-

tively small number of them to grow enormously rich.* But they seem not satisfied with the earth. "The government protects us" they say, "against foreign interference, and the large profits we have heretofore realized must not now be curtailed by any annoying home competitors. Let us organize a pool, and fix the price of lumber to suit ourselves. We must have no nonsense about our yearly dividends. These small-fry operators must either come into the combine and agree with us to pluck the stupid geese of our Western towns and farms, or be crushed out," and so the lumber trust becomes an institution of the country

In a previous chapter it has been shown by Mr. Dean how rapidly the owners of pine land in Wisconsin and Michigan are creating a gigantic monopoly; how the price of lumber is raised by the artificial rise of the "stumpage;" but now we have the information that a wealthy logging company, with an available capital of from sixty to seventy million dollars, is forming a complete ring around the pine forests of northern Wisconsin; that one by one the great lumber firms have been compelled to enter into the pool to protect their interests, and that the few who had the temerity to buck against the pool were brought to a realizing sense of their situation, paying dearly for their show of independence.

Again, Congress has placed a duty of twelve cents a hundred on imported salt, or about one hundred per cent. The president of the Salt Association of Michigan, where

* Ex-Gov. Alger of Michigan is a great traveler. He rides about the country in a private car and seldom spends more than seven days in one place. He makes his car his business-office, and does \$1,000,000 worth of business in it annually. Alger, it is said, has made about \$8,000,000 since the war. His lumber interests are enormous.—*Chicago Tribune*, October 27, 1887.

half the salt used in this country is manufactured, admitted before the Tariff Commission, that salt is only produced in large quantities in New York, Virginia and Michigan; that the enormous salt bed in the North reached from Canada, under lake Huron into the States; that they were consequently, inexhaustible." "What we protest against," continued this salt-lord, "is a removal of the duty from salt; because our Canadian neighbors have to pay only \$1.25 for the labor which costs us \$1.75."

It must be supposed that the commission believed him and believed that his solicitude for his laborers alone actuated him, for the duty on salt was not removed, and as labor in this business is now "protected," the great packing industries, the farmers and dairymen and the consumers of salt generally, must pay just about twice as much for their salt as they would had not the government said to the manufacturers of salt, "go right along and charge any price you see fit for your salt." I stand guard between you and the fellows in Canada who have the impudence to offer salt at a ruinous price to the American people, for as long as this people are silly enough to believe that the Canadian will work in the salt mines of Canada for \$1.25 while he might just cross the line into Michigan and get \$1.75, so long they will make no fuss about your extortionate price on salt. But this government aid notwithstanding, the article is in danger of falling in price, on account of overproduction in the salt mines of Michigan. So the output must be restricted. Thus the demand for a trust that will regulate and control the salt production of the country and fix the price. Consequently, a short time ago, a meeting was held for this purpose in Pittsburgh, the "Protection Hub" of the land, at which sixty-three salt firms were represented, and all the pre-

liminaries for entering into a gigantic "salt trust" were perfected.

Another case :

Perhaps we ought to be charitable, and say that it was not the intention of Congress to create a monopoly by raising the duty on steel blooms which are used in the manufacture of locomotive tires of driving and car-wheels from forty-five to ninety per cent. It has done so, nevertheless. It did not say to the three principal mills of the country, the agent of which lobbied at Washington for the increase, we will lay this duty to give you the exclusive privilege of supplying all the railroad companies of the United States with the products of your mills; but that was the effect, for, as soon as the duty had been raised, the combination, being the strongest, drove every other competitor out of the business (a Chicago firm sharing that fate), raised the price of their steel tires to an extortionate rate, and as completely monopolize the American market to-day as if an expressly stipulated grant had been voted them by the United States Congress. Blunders of similar cases might be cited but for the purpose of illustration these are sufficient.

This is the way our manufacturers and mine-owners propose to obviate the difficulties and embarrassments resulting from home competition. Every industry worth mentioning has been or is being formed into a monopoly under the seemingly innocent title of "National Association of So-and-So;" and every recalcitrant manufacturer who refuses to enter the compact for robbing the public, and to pay his pool money, is boycotted, until he is either ruined or brought into submission.

This more recent and most absolute system of monopoly is known under the designation of "trust."

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A trust is organized by the election of a number of trustees to whom the property, the machinery, stock—in fact, the whole business—of every individual manufacturer in a certain line of products, is transferred at an appraised value. In pay for his business, the individual manufacturer receives a given number of shares and a certain amount in cash. If it is desirable to lessen production, one or more of such establishments are closed up, but if kept running, the former proprietor may remain the manager at a salary fixed and paid by the trust.

The trust is strictly an American institution. The monarchies of the old world, even, have the welfare of their subjects too much at heart to allow such a fungus to fix itself upon the tree of state. It is only in a government where legislation may be controlled by great corporations that trusts are possible.

“Trust” combinations rest, first, on a monopoly fostered by the protective tariff which excludes foreign competition, and second, on an unlawful conspiracy to corner the home market. Of these trusts to exclude foreign competition, one of the most powerful is:

THE STEEL RAIL MONOPOLY.

“The Bessemer patent of making steel rails—an English invention—was purchased by a American syndicate consisting of about a dozen iron-mill companies, which formed a close pooling corporation, or what in practice amounts to a trust monopoly, and since that time—1877—have fixed their own prices for railroad and all steel made in this country by the Bessemer patent process. They had to reduce the old process price of \$80 to \$100 per ton in order to get orders to make a market. They were protected by a \$28 per ton tariff up to the revision

of 1883, when it was reduced to \$17 per ton. "A struggle is now in progress," says the *N. Y. Daily News*, "between the steel-rail manufacturers and the railway managers. It is further said that the latter have decided not to purchase any more rails until the price is reduced to \$30 per ton. On their part the steel-rail syndicate still demand from \$33 to \$35 per ton, and on one pretext after another have closed down their mills one by one, some to make repairs and others for different reasons, until to-day nearly all the steel-rail mills of the country are idle.

In 1887 the Bessemer mills of the American syndicate produced 2,049,638 gross tons, and for 1886 1,562,410 gross tons — an increase of 487,228 tons for 1887.

It is well here to inquire what the country pays to this steel-rail octopus over and above the amount paid for rails in Great Britain, and which rails are now being furnished to India — our present wheat and coming cotton competitor — for its railways in process of construction. The Indian railways purchased rails all last year at from \$16 to \$20 per ton. Our octopus has been selling to American railways during the same period at from \$35 to \$40 per ton. This would make a difference in the cost of the railways constructed in the United States during the last year, in round numbers, of over \$30,000,000, as compared with their cost if constructed of foreign steel. When the steel syndicate charges the railroads more than \$40 per ton the latter can import English steel, which costs on shipboard at Liverpool about \$20 per ton ordinarily; and delivered at New York, Boston, Baltimore, Charleston, New Orleans, or Galveston, the cost without the duties would be \$23 to \$25 per ton, according to the expense of freight. With free competition railroad steel would rarely rise above \$28 to \$30 per ton in this country.

The railroads are therefore asking, if railroad steel can be made and sold by the Bessemer syndicate at a profit for \$28 to \$30 a ton, what is the \$17 per ton tariff for?

But the industry, next to railroad building, which consumes the most iron, is that of iron ship-building. It is claimed that it is the lower wages paid by English ship-builders that enables England to monopolize the carrying trade of the world.

Out of the great mass of evidence collected upon this industry which is most significant, is that given by Thomas J. Curran, an ardent protectionist, a boiler-maker and ship-builder himself. He was authorized to speak before the Senate Committee in behalf of the Ship-Builders' Association. "By letting in free ships," he says, "that is, giving foreign ships American registry and permitting them to sail under the American flag, you will take the bread from the families of many American workingmen; you will deprive American workingmen of a great deal of work — take it away from them and give it to England."

"How do the wages of the workingmen in the ship-yards on the Delaware compare with the wages of the same class of workingmen on the Clyde?"—"The workingmen on the Clyde receive better wages; they receive at least \$4 a week more than they do on the Delaware."

"Is not the Delaware the great place for iron ship-building in this country?"—"It is the principal iron ship-building point in this country."

"What do you know about the comparative purchasing power of the wages received by the workmen on the Clyde and the wages received by the workmen on the Delaware?"—"I know about it from reports."

"Which on the whole is better paid, the Clyde workmen or the American workmen on the Delaware? Whose wages will purchase most of the comforts of life?"—"Well, certainly, where a man receives \$4 a week more, and where he can buy more for a dollar than he can buy here, his wages must be more and he must have more comforts."

"You understand, then, that the necessities of life are cheaper in the old country than they are here?"—"Yes, sir."

"Then why is it that we cannot build ships as cheap here as they can build them there, if the men there get higher wages, and if the purchasing power of their wages is better there than here?"—"The principal reason that I know of for not repealing that law is that at the present time there are in England and Scotland ships that have been lying there for the last ten, twelve, or fifteen years—in fact, they have been out of use altogether, and the repeal of our laws so as to allow American registry to foreign bottoms would cause them to bring those ships over here and run them under the American flag."

"Old ships?"—"Yes, old ships; they would be brought here and palmed off on the American people. But on the other hand, by not repealing the law, in a short while our companies here will be forced to build their own ships, new ships."

"Then you are not afraid of the competition of new vessels built on the other side at the same time that you are building ships here, but only of the introduction of the old ships that are already built and lying idle over there which you think would be thrown into our market if the navigation laws were repealed?"—"From the statistics it has been shown that one gentleman who is at the head of a firm on the Delaware river can build ships, or he says he can build ships, as cheap as \$52 a ton—as cheap as they can be constructed on the Clyde."

"What do you mean by \$52 a ton?"—"That is, constructing the ship from the bottom up at that rate. She has so much tonnage; so many thousand tons; and he says he can build a ship for \$52 for every ton. He says he can construct ships just as cheap on the Delaware as they can construct them on the Clyde."

"What is the price on the Clyde—\$52 a ton?"—"I cannot say what the price is on the Clyde."

"The wages of the workmen being higher on the Clyde, have you any well-formed opinion as to why we cannot or do not build ships on the Delaware as cheaply as they are built on the Clyde?"—"Well, you take capital that is invested in England and Scotland, and the capitalist, if he can get 4 or 4½ per cent on his money, is content to put it into manufacturing business. But it is not so with our capitalist here. If a capitalist here cannot make 15 or 20 per cent on his capital he is not going to put it into manufacturing."

Then it is because capital invested in ship building here is not satisfied with the return which capital invested in ship-building in England is satisfied with. Is that the reason?"—"Yes, sir!!"

Here we have the whole question of iron ship-building in a nut-shell. After warning the commission that a

reduction of the tariff on ships would take the bread out of the mouths of thousands of workingmen, Mr. Curran is forced to the singularly contradictory admission that English workmen on the Clyde receive higher wages and enjoy more of the comforts of life than the American workmen; but that the difficulty in competing with England is due to the greater greed of the American manufacturing capitalist. Mr. Curran's silence concerning the duty upon the raw material entering into the building of iron ships, amounting to 43 per cent in the average, can only be explained by the fact that he is one of the beneficiaries of this tariff robbery. Is it not plain, therefore, that if the duty on raw material were removed, the American ship builder could not only compete, but undersell his English competitor; that free trade in ships would compel the "boss" ship-builders to be content with reasonable profits; that in reviving the ship-building industry, employment would be given to thousands of laborers who are now crowding into other industrial branches, and a restoration of the ocean transportation now monopolized by England be looked for.

The New York *Times* has made a thorough exposé of the number and magnitude of these peculiar and modern contrivances of our manufacturers to escape the legitimate results of the isolating system of protection consisting in over-production, lowering of prices and eventual bankruptcies. Among these combinations are the following:

COPPER.

In copper there has been practically a trust for many years. The import duty on copper is prohibitory. All the lake mining companies have been so completely overshadowed by the Calumet & Hecla Mines that they virt

ually put all their products into a pool which has been controlled by the officers of the Calumet & Hecla. About twice a year the managers of the pool have been in the habit of meeting with a combination of manufacturers and announcing the terms on which they would sell to manufacturers. They would not sell on any terms to brokers, consumers, or speculators.

The following memorial sent to Washington was occasioned by a dispatch from London to a New York house ordering 3,000,000 pounds of copper to be bought below the market price in the United States.

To the Honorable Congress of the United States:

Your petitioners respectfully represent that they are manufacturers of brass and brass goods, consuming annually over ten million pounds of ingot copper; that the copper product of the United States is greatly in excess of home consumption; and that large quantities are annually exported. They represent to your honorable body that the import duty of four per cent per pound now in force is not required to protect home producers, but its sole and only effect is to enable speculators in copper to artificially enhance its value by exporting large quantities at a much lower price than that which they demand for home consumption. The duty is thus made to serve only the purposes of speculation and monopoly, and is a great and continuous detriment to the legitimate business of manufacturers and consumers. We therefore pray that ingot and all manufactured copper may be placed on the free list.

N. O. NELSON,
JAMES POWELL,
JOHN FARRELL, *Committee.*

LEAD.

The production and price of lead are regulated and controlled by the National Lead Trust, which is just about completing its organization. There are only ten or twelve mills in the country which smelt lead, and they are all in the West. These and the mine-owners form the trust, about which very little appears to be known in this city except the undisputed fact that the trust exists.

The organ of the trust said when the first steps in the organization of the trust were taken: "The present price of lead is about as high as it can be to maintain its standing in the market as against the imported article, and the aim of the syndicate will be to keep up this price." The price is now much higher.

PAVING-PITCH.

The pitch used in roofing and paving is said to be controlled in this country by a combination in Philadelphia. Not a yard of felt roofing-paper and not a gallon of paving-pitch can be obtained unless permission is given for its sale by the Philadelphia syndicate. .

Recently a meeting of the coal-tar or pitch distillers and felt-roofing manufacturers was held at their headquarters in New York, and the price of felt roofing was advanced twenty-five cents a roll. After the meeting the members of the combine adjourned to the Hoffman House for a banquet. Retail dealers in roofing materials say this advance is entirely uncalled for, and that it will ruin their business. The only reason that they can assign for the increase in price is the greed of the corporations who control the entire production in this country, and have for two years been gorging themselves with enormous profits. The prices at which the felt and pitch are sold are said to be several hundred per cent of the cost, and although there is a duty of twenty per cent these articles can be imported from England and sold here considerably below the present prices. But the strength of the pool is such that contractors dare not buy except from members of the ring. The consumption of tarred paper and roofing pitch has also been restricted by the advanced price, and people have used tin, slate and shingles instead.

CORDAGE.

There are less than thirty cordage mills in the country, and for years they were controlled by a pool which limited production and fixed prices. This pool was broken last spring and a new one, representing two-thirds of the productive capacity, was formed in the summer. The new pool is said to control the supply of imported manila and similar raw material. The average *ad valorem* rates of duty last year were as follows: Manila, 21.06; jute, 20; sisal, 14.80; tarred cables and cordage, 30.13; untarred manila cordage, 32.89; other untarred cordage, 30.08.

RUBBER SHOES.

This industry is said to represent an investment of \$50,000,000 and an annual trade of \$100,000,000. The duty on rubber shoes is 25 per cent. Our erratic contemporary, the *Sun*, complains loudly that "it is well-nigh impossible to produce for love or money in the open market a pair of sound, substantial, honest, staying rubber overshoes," and says that some one can get rich by making good overshoes and selling them at a reasonable price. "We venture to remind the *Sun*, says the *N. Y. Times*, that competition has virtually been killed in this business."

PAPER.

The paper trade in its many branches is controlled by as many trusts and combinations as there are ramifications in the business. The entire industry is apparently conducted under the direction of a few committees, with the idea, of course, of maintaining prices and regulating production.

There is first of all the American Paper Manufacturers'

Association, in which all the trade all over the country is united for mutual advantage. The members meet once a year for discussion, and in the meantime executive committees have power to act. There are several divisions of the association, each with one of the Vice-Presidents of the associations and a special committee to regulate its affairs. There are the envelope-makers, division, the blank-book division, the book and news division — meaning the makers of papers used in printing books and newspapers — the writing-paper division, the strawboards division, the straw wrapping-paper division, the chemical fiber-paper division, and other divisions and subdivisions of the trade, including as well the manufacturers of machinery for making envelopes, paper bags, etc.

ENVELOPES.

The makers of envelopes in the United States have made a compact trust and prices are to be raised. The duty on envelopes is twenty-five per cent.

PAPER BAGS.

The trust formed in the bag-making industry controls the price of grocers' bags and the large flour sacks used in the West. It is stated that these flour bags are made of manila rope stock and jute butts. The duty on untarred manila rope averaged last year 32.89 per cent, on manila it was 21.66, on jute butts 19.13, and on the manufactured bags it appears to have been 35 per cent.

The makers of strawboards — the heavy pasteboard so extensively used in the manufacture of paper boxes — have one of the strongest pools in the trade.

There are about one hundred concerns in various parts of the country engaged in turning out strawboards, but they work together harmoniously and are stiff in holding

up prices. The pool has an executive committee, which not only fixes the prices, in accordance with an agreement made by the trade at the general conventions, but they regulate production also. When there is a threatened abundance of boards in the market, so as to endanger the prices fixed by the pool, certain mills are ordered to be shut down. Several mills not in the pool have been bought up by the combination, so as to prevent overproduction.

There are several hundred factories where straw wrapping-paper is made. The machinery and plant used are so nearly like those required in the manufacture of strawboards that it is said that the wrapping-paper men could turn to and make boards if necessary. This fact acts as a partial check upon the strawboard pool and prevents it becoming too high-handed. Ninety-seven per cent of the strawboard makers of the company belong to the pool. The list is too long a one to give the names here.

The straw-paper men have also an organization. It was recently perfected at a meeting in this city under the name of the Straw-Paper Association of the United States. Its very first step was to advance prices ten per cent.

SHOOL SLATES.

The manufacturers have formed a combination which controls the business, and this combination has raised prices seventeen per cent since May last. The duty is thirty per cent.

DUCK.

All the manufacturers of standard cotton duck in the United States are united in a solid pool. They have complete control of the production in this country of the

heavier grades of duck, such as are needed for sail-cloth, tarpaulins, car-roofs, tent-cloths, and all the manifold uses to which canvas is put.

The pool is called the Cotton Duck Association of the United States. It was organized about a year ago, and is a flourishing and successful combination, which has put up the price of cotton ducks from 15 to 20 per cent within the year. The organization is virtually a trust, in the sense that it limits the output of the mills and has a pool commissioner to whom all reports of production must be sent from each mill. It has also a rigidly-guarded price-list, which every member of the trade is obliged to adhere to under penalty.

WATCH TRUST.

The following statement is furnished by a gentleman in the business :

— About three years ago the watch-case manufacturers of the United States formed an association for mutual protection, and about the same time the watch-movement manufacturers did likewise. Then the jobbers in American watches combined; their association being known as the National Association of Jobbers in American Watches. The Dueber Watch-Case Manufacturing Company, of Newport, Ky., was the last firm to come into the watch-case combination, and shortly after it did come in it was expelled. That was last November. THE ROCKFORD (ILL.) WATCH-MOVEMENT COMPANY IS THE ONLY CONCERN OF ANY PRETENSIONS THAT HAS KEPT OUT OF THE WATCH-MOVEMENT COMBINATION.

The capital controlled by these three associations is about \$30,000,000, divided as follows: National Watch-Case Manufacturers' Association, \$5,000,000; National Watch-Movement Manufacturers' Association, \$5,000,000; and National Association of Jobbers in American Watches, \$20,000,000. Now these three associations have combined to promote the interests of all, and the triple alliance is managed by the watch-case and the watch-movement manufacturers. The jobbers control the greatest amount of money, but the others control the production, and that is of more importance.

That is the history of the combination, of which the Brooklyn Watch Case Company is one of the promoters and virtually the head. Just now it is and for some time past has been endeavoring to drive the Dueber Watch Case-Company to the wall. The Dueber Company is the largest in the United States, employing about 1,000 hands turning out about 1,200 watch-cases a day, and, of course, with such a concern on the outside, the combination finds it difficult to regulate prices.

CARTRIDGES.

The American cartridge, says the *Times*, is preëminently the product of trusts and pools. In the first place the lead is trusted. The formation of a combination of the lead-smelting firms of the West, under the name of the National Lead Trust Company, has been "quietly pushed to a successful issue." The price was then from 4.10 to 4.45. Since that time it has been carried to 5.10, and it is now 4.95. The smelters are said to be exerting some influence in Mexico with the hope of causing an export duty to be laid by the Mexican Congress on Mexican ores. Then there is the great copper ring, which by cornering the copper market and making pool or trust agreements with the mines of the world, raised the price of copper from £39 to £85 10s., the price now being £77 5s. The manufacturers of sheet copper are said to have maintained a "combine" for some years. It will be seen that the component parts of the American cartridge have been pretty thoroughly "trusted," and now it also appears that the cartridge itself does not go into the world of trade and consumption to be buffeted by the blows of competition.

Other combinations of a similar character are, the Standard Oil Company, the Cotton-seed Oil Trust and the Gas Trust, and although these latter monopolies are not the direct outcome of the protective system, they are the logical result of our governmental policy.

All these combinations have one common object, and the must stand or fall together. They compel the American people to pay from fifty to one hundred and fifty per cent more for the articles of daily necessity than they would if competition had not been throttled by the United States government.

The evil spirit which keeps watch that no harm may come to what they are pleased to call the "American System" is the iron king of Pennsylvania.

Twenty-five years ago, cotton was considered by far the most important staple product of the country, not so much from a pecuniary point of view as owing to the tremendous influence the cotton planters then wielded in the legislation of the country. But the war came, and with it the abolition of slavery, which dethroned King Cotton. Royalty in American product, however, was maintained and its scepter was transferred into other and more exacting hands—the hands of the Pennsylvania iron-masters. Iron, to-day, is an infinitely more powerful king than cotton ever was, and the iron grip his metallurgical majesty has upon the millions of white slaves of this vast domain, as well as upon the majority of the members of the United States Congress, may cause the country as much suffering as the grip of King Cotton caused it. He holds the key to the situation, manipulating without let or hindrance the taxing powers of the federal government in his own, and in the interest of his allies. His will is the supreme law of the land, so far as matters remotely connected with tariff legislation are concerned, and no reduction of duties on imports of any kind, however distant from the iron interests can be had, without his consent.

His royal majesty has a well-organized corps of janissaries, who are watching along the line of his protected

underlings, giving alarm at the slightest break, levying tribute from all, for the support of his iron throne.

This organization and its workings were fully described a few months ago by the *Detroit News*:

“The American Iron and Steel Association is a powerful organization, composed of the iron and steel manufacturers of the United States, bound together by the strongest ties of self-interest. Its organization is thorough. It is directed by shrewd leaders, it is never in need of funds, and when it has an object to attain it moves forward like a well-drilled and well equipped army. Its headquarters are at Philadelphia, where its organ, the *Bulletin*, is edited by James M. Swank, a statistical expert, who can manipulate figures to the demonstration of any problem in finance or political economy — at least to the satisfaction of the members of the association.

“The chief object of this banding together of manufacturers is not the maintenance of established prices, the collection of information about the business in which they are engaged, etc., as might naturally be supposed. These things are but incidental, and are of minor consequence. The purpose toward which the association bends its greatest efforts is the continuance of the iniquity of the protective tariff tax. Without this special privilege, the iron and steel industries would be compelled to stand upon their own merits, as do other kinds of business which are less favored, and which are unshielded from competition by an impregnable wall of high tariff tax. In order to combat a growing public sentiment against this outrageous injustice which taxes the people for the benefit of special interests, a large amount of money must be spent, and the beneficiaries of the system uncomplainingly contribute to it with a lavish hand, for they know that they will get

it back a hundred fold. There are pamphlets to be published, newspaper organs to be maintained, lecturers to be employed and liberal contributions to be made to the campaign fund of congressional candidates who are opposed by men who would strike down this iniquity. But the chief field of labor lies at the national capital, where experienced lobbyists are maintained at a great expense, and where the kind of arguments which they commonly use are most effective. This is undoubtedly the most expensive field of operation for the American Iron and Steel Association, and it is the most generously cultivated, because the members well know that it yields the most liberal returns.

"It is interesting to know how the association raises all the money it expends every year for the maintenance of this special privilege of taxing the people for the benefit of those in the iron and steel business—a system which has developed "iron kings" and "steel kings," with their millions accumulated in a few years, while the poverty-stricken toilers in the mills are compelled to work on starvation wages. This is explained by a circular which lies before us, in the form of an "annual assessment," made by the association upon one of its members, a Michigan iron manufacturing company. The following are the rates of the assessment:

"One-half cent per ton of two thousand pounds on all pig iron produced at your works.

"Three-fourths of one cent per ton of two thousand pounds on all rolled or wrought iron produced at your works.

"Two cents per ton of two thousand pounds on all crucible steel produced at your works.

"One cent per ton of two thousand pounds on all blister, German and puddled steel produced at your works.

"Three-fourths of one cent per ton of two thousand pounds on all Bessemer steel produced at your works.

"Three-fourths of one cent per ton of two thousand pounds on all Siemens-Martin steel produced at your works.

"One cent per ton of two thousand pounds on all steel manipulated at your works.

"Opposite these separate items are blanks for the different amounts and the sum total of the 'assessment.' When it is considered that the mines and furnaces of Michigan alone in one year (1884) produced 2,500,000 tons of ore and pig iron, some faint idea may be obtained of the total fund which this association secures by means of annual assessments, to combat legislations that threaten to destroy the special privileges of protection. It will be seen that on this basis Michigan must have contributed \$12,500 of the fund for the year 1884, on its pig iron product alone. Add to this the assessments in the various classes of steel and rolled and wrought iron, and then remember that the other iron producing and manufacturing States are assessed the same, and the reader will have some faint idea of the enormous corruption fund which is raised every year by this association for the purpose of influencing legislation."

These are rugged facts, calculated to throw a flood of light upon the paradox which some people wonder at, viz.: Why Congress continues to pour into an already overflowing treasury the proceeds of an oppressive and unnecessary war tax, and why the waves of public sentiment in favor of reform beats ineffectually against the doors of legislation.

And this is the final outcome of a fiscal system of which Mr. Blaine, page 212, vol. I, of his *Twenty Years in Congress*, says:

“Protection, in the perfection of its design, as described by Mr. Hamilton, does not invite competition from abroad, but is based on the controlling principle, that competition at home will ALWAYS PREVENT MONOPOLY on the part of the capitalist, *assure good wages to the laborer, and defend the consumer against the evil of extortion?*”

CONCLUSION.

“WHEN spoliation has once become the recognized means of existence of a body of men,” says Bastiat, “united and held by social ties, they soon proceed to form a law which sanctions it, and to adopt a system of morals which sanctifies it.”

These few words of M. Bastiat fully describe the condition of affairs in this country to-day.

The tendency to organize every branch of industry, save that of agriculture, into a controlling pool, trust or combination of some sort, for the purpose of destroying competition in order to “bull” prices, shows the existence of a “body of men whose recognized means of existence has become that of spoliation.”

For the last quarter of a century the national legislature has lent itself to the framing of laws which have sanctioned this system, and the American people, by their seeming acquiescence, have sanctified it. Protection and spoliation are synonymous terms, and monopoly is but “protection in the perfection of its design.” It is the legalized process “of taking money out of the pockets of the many to put into the pockets of the few,” and this process must, with unerring precision, terminate in the inordinate accumulation of wealth by a favored class, and the corresponding impoverishment of other classes.

The argument of Mr. Atkinson, that machinery, manufacturing facilities and wages have increased, and the profits of manufacturers decreased, and his denial that

the rich are growing richer, and the poor poorer, does not dispose of the question. The facts, published in the daily press as they transpire, and the proceedings in the courts of the country show conclusively that, notwithstanding his denials, the rich *are* growing richer, and the poor *are* growing poorer. In his arguments Mr. Atkinson seems to deal with the individual manufacturer whose products have fallen in price under the natural law of competition. He does not appear to take the circumstance into account that competition is almost a thing of the past; that combinations, trusts and monopolies are the rule, and free competition the exception.

Circumstances alter cases. Left each to his own exertions, the manufacturers would compete with each other for the home market, and, in order to obtain a share of it, each (provided he carried on a legitimate business), while not selling at a loss, would have to content himself with a reasonable profit. But by combining into a trust, the foreign article being excluded under the tariff, the American consumer is placed at the mercy of the manufacturers who raise the price of the home product at will.

Do not the sugar kings, whose yearly exactions have been estimated at \$10,000,000, grow richer by this operation, and the consumers grow correspondingly poorer?

Or, if a combination of coal barons and railroad magnates can compel me to pay \$2 per ton more for coal than I ought to pay but for such a combination, am I not by that operation made \$2 poorer, and have not these unscrupulous operators grown correspondingly richer?

Suppose this process of extortion is repeated upon every article of household and wearing apparel purchased for myself and family, and this sum is multiplied ten

million times (which very nearly constitutes the number of families in the country), do not these aggregate exactions, variously estimated at from \$600,000,000 to \$800,000,000 annually, ruthlessly taken from the pockets of these ten million householders and put into the pockets of a few thousand mine-owners, manufacturers and railroad magnates, this much enrich the latter (allowing for loss in the shuffle) and impoverish the former? If this pumping process is allowed to be continued indefinitely, it will require no Adam Smith to figure the outcome, and the most elaborate disquisition about the "wage fund," or hair-splitting arguments on "the distribution of wealth," can explain away the fact that the rich monopolists *have* grown richer and their victims have grown poorer.

Of course, this matter of poverty is relative. A man need not necessarily be a beggar, or be really destitute to be poor. In this country all consider themselves poor who cannot clothe and house themselves respectably, procure enough wholesome food to eat, and cannot give their children a common-school education. Millions of the American people would be able to stand this constant strain upon their resources and not feel perceptibly poorer, but these extortions of forty cents on every dollar's purchase seriously affect millions less fortunately situated, with but little or no opportunity for recuperation.

The prevailing discontent among the working-classes, more especially in the highly-protected industries, is mainly attributable to this cause. It is something more than whimsical fault-finding, and the student of political economy, or the statesman, who would attempt to explain away their grievances or deny their existence, is rendering a questionable service to his country.

As some writer aptly expresses it :

“ We are living here under the immutable and inexorable laws of the social organization. We cannot cheat these laws, or evade them. If we try to escape their operation in one point, they avenge themselves in another. We cannot manipulate the law of value, so as to make things exchange otherwise than in the ratio of supply and demand, without losing more in one way than we gain in another. We cannot legalize plunder under any guise whatever, without surely wasting wealth and impoverishing robbers and robbed together. We cannot arrange any system of gambling which will increase wealth, since wealth comes only from labor properly applied. We cannot employ the taxing power of the government to increase wealth, but only to diminish it.”

However, the evils from which we are suffering cannot all be attributed to the vicious system of protection, nor is it claimed its modification or removal will prove the universal remedy. But one thing is certain, that it has contributed more to the unequal distribution of wealth, to the creation of a state of contention between labor and capital, than all the other causes combined.

The beneficiaries of the protective system should remember that sooner or later “murder will out;” that the principles underlying this government have not yet been suppressed in the hearts of the American people; that they will still insist upon the old-fashioned doctrine, “the interests of the few must be subservient to the interests of the many,” and the enforcement of this doctrine by legal enactments must at no distant day be had. How conservative or how radical these changes shall be will depend upon the amount of resistance to be overcome.

A removal of the taxes on raw materials, and a cor-

responding lowering of the taxes on the finished product, would doubtless satisfy the American people to-day, while a prolonged struggle, or an attempt to cheat them by a repeal of internal taxes on luxuries, such as on whisky and tobacco, might so exasperate them, as to cause them to demand the removal of every protective feature on the statute books.

The American consumer must steadily keep in mind the admonition of a friend of the people, who has said "that it ought to be utterly indifferent to the man who has to pay the money for the higher priced article, on account of the protective system, what argument, what pretext, what name, sacred or profane, they (the protectionists) may make to give gravity to the steal. If they are poetical, let him think of the 'Rule of Three.' If they quote Scripture, let him take care of his pockets, and if they make promises of the home-market, let him reply that one bird in the hand is better than a dozen in the bush. If they make promises of high wages, let him give the answer, that cheap rent, cheap capital, and cheap labor is their motto. His money which he has earned at hard work is at stake; therefore, let him keep a clear head and a cool eye,—let him beware of quack doctors who make long speeches; they will ravish him if they get him in their nets. Believe nobody, nothing—except that two and two are four.

"If an angel or an archbishop preaches anything to the contrary, give them no heed.

"If judges on the bench contradict it, let him tell them they sit there to administer the law and not arithmetic. He has money, and therefore everybody is in a plot against him. There is something in his pockets, and he will be beset right and left till they are cleaned out."

This unique piece of advice, like the rules of the Vicar of Wakefield, deserves to be framed and placed over the mantelpiece of every farmer and workingman in the land.

Had they followed the first principle of this advice, keeping their hands upon their pockets, as well as their bosses have done, they would not for years have been, with a prospect of continuing to be, the under dog in the struggle.

Under the deceptive and fraudulent pretext of protection to American labor, the privileged classes have succeeded in persuading a majority of the workingmen and farmers that the system under which they are slowly being ground to dust is a blessing in disguise, and that highly taxed commodities will inevitably lead to general prosperity; it is, therefore, to this want of information upon these vital questions that they must ascribe the largest share of their troubles.

As stated at the beginning of this volume, the only *protection* the government of the United States can legally bestow upon any of its citizens is police protection.

But instead of thus confining itself to its duty of protecting the rights of the citizen from the encroachment of others, the government has drifted into a system of paternalism, which is constantly devising means for the destruction of these rights, and which is the special guardian and advocate of a preferred class.

In violation of the letter and spirit of the Constitution, innumerable special laws have been enacted for the avowed purpose of affording valuable privileges to private individuals and corporations at the expense and to the detriment of all the rest.

The welfare of the individual, however humble, cannot be injured without detriment to the whole.

The interests of the nation are identical with the interests of the individual.

What is the interest of the individual?

He wants peace.

He wants security.

He wants freedom to be his own, to earn his own, to hold his own, and to exchange his own surplus, value for value, with the positive, well-ascertained surplus of others.

How can there be peace with everything ordered for the purpose of governmental robbery and individual dishonesty?

How can he have security, when weakness is the prey of strength, poverty of wealth, and honesty of fraud?

How can he have the freedom of his own, earn his own, hold his own, and exchange his own, when the government is uniformly legislating against him, and in the interest of a preferred class?

END.

BELFORD'S MAGAZINE

EDITED BY DONN PIATT.

BELFORD'S MAGAZINE, published monthly, is devoted to politics, fiction, poetry, general literature, science and art.

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